



BRIEFING NOTE TO THE ASSOCIATE DEPUTY MINISTER

WATERFRONT TORONTO / SIDEWALK TORONTO QUAYSIDE INITIATIVE

(For Information)

ISSUE

This backgrounder has been prepared to support your participation in Session VI (Trust in a Digital Age) of the agenda for the Deputy Ministers' Retreat on July 4, 2018.

MAIN KEY POINTS TO REGISTER

- The rapid and widespread uptake of disruptive technologies like big data and the "internet of things" is putting pressure on governments to evaluate and align policy frameworks to address public concerns.
- The main issues in the public space include: surveillance; data collection; data sharing and selling; data storage, including where and for how long; and privacy – including anonymized data and the risks of re-identification.
- Investment will flow to those jurisdictions that are best dealing with the implications of increasing interconnectedness, and Canada is no exception.
- At Infrastructure Canada we see these issues playing out as traditional bricks and mortar, smart technology and people are colliding around infrastructure. While we have the Smart Cities Challenge underway we are actively engaged on the proposed "Quayside" project, a high-profile initiative between Waterfront Toronto and Sidewalk Labs (a Google/Alphabet company) to build a connected, data-driven neighborhood on Toronto's eastern waterfront.
- If it goes forward Quayside will present a unique opportunity to pilot digital innovations and solutions that protect personal privacy and civil liberties while providing shared benefits and a catalyst for economic growth. It can also pave way for more investment and branding of Canada as place that supports innovation.
- On the key policy issues, Waterfront has pulled together experts, with public input, to develop key principles to guide Quayside's implementation. This will help shape the broader public policy dialogue on digital technology and data and can inform national consultations now underway, under our colleagues at ISED.
- Clearly the market will potentially move faster than governments and potentially the public. Need to ensure a balance of promoting innovation and shaping policy frameworks the public trust and not thwarting new innovations that are inevitable. Need to preserve opportunity for Canada to shape our own destiny and influence the outcome.


BACKGROUND

- Waterfront is a not-for-profit entity established under provincial legislation to lead and implement the Toronto Waterfront Revitalization Initiative (TWRI). The three orders of government each appoint four of its twelve Board members. The Deputy Minister of Infrastructure Canada is chairing the Inter-Governmental Steering Committee for the TWRI this year, being a senior officials-led information sharing and coordinating body among the three levels of government and Waterfront.
- Waterfront and Sidewalk Labs, a subsidiary of Google parent-company Alphabet, are leading the development of a technology plan to be tested in the 12-acre Quayside district located in the East Bay Front southeast of Downtown Toronto at Parliament Slip, adjacent the Lower Don Lands and Port Lands. The plan would see the creation of a “smart city” that would include mixed residential, commercial, and retail development and encompass innovative building techniques and connectivity to build a climate positive city.
- Following a Request for Proposal for a development and funding partner, Waterfront entered into a Framework Agreement in October 2017 with Sidewalk Toronto, Limited Partnership – a newly created entity, and affiliate of Sidewalk Labs. The Framework Agreement sets out the basic terms and principles for the Quayside and Eastern waterfront Master Innovation and Development Plan (MIDP).
- Under the Framework Agreement, WT and Sidewalk Toronto are working on establishing a Partnership Development Agreement, a public document that will provide a work plan to ultimately complete the MIDP by the end of the calendar year. The Development Agreement will consist of commercial terms pertaining to Sidewalk’s Funding Contribution (\$50M USD) under the Framework Agreement to prepare the MIDP. The Development Agreement will include principles regarding collaboration, government relations, **digital policies**, and intellectual property to ensure there is alignment in the overall approach and policy considerations of the MIDP. A draft Development Agreement will be available for review by Waterfront’s Board of Directors and review by the three levels of government in early-mid July.
- At the same time Waterfront and Sidewalk are undertaking a public engagement process involving town halls and other means to keep the public informed and reflect feedback in the Quayside initiative as it moves forward. Waterfront has also established an arms-length Data Strategy Advisory Panel to provide insight on ethics, accountability, transparency, protection of personal privacy, data governance and cyber security as the Quayside initiative develops.
- Since the federal government is not a funding partner in the Quayside project, its interest in Waterfront’s engagement with Sidewalk is to understand how activities will inform Government of Canada policy development on data ownership/control, privacy and ethics, and collaborate with the other orders of government on these issues.
- INFC has been monitoring data and privacy issues related to Waterfront and the Quayside project– mindful of the national conversations on these issues and possible higher level approaches being considered by the Government of Canada. INFC further acts as a portal for linking to the broader federal community on policy questions and other issues.

UNCLASSIFIED

KEY ISSUES

- The Advisory Panel, comprising experts from academia, civil society organizations and the business community, is presently reviewing and advising on draft guiding digital design principles to be included in the Development Agreement. Their purpose is to ensure that digital innovations and solutions protect personal privacy and civil liberties while providing shared benefits, including as an economic catalyst for open innovation, and to inform the broader public policy dialogue on digital technology and data. They are broadly grouped within the following themes:
 - **Privacy** - individual control over how personal information is collected, used, and shared.
 - **Data stewardship** - the use, control, ownership, and storage of data.
 - **Access to data** - how broadly and on what terms data is made available.
 - **Data security** - protecting data and minimizing the potential for breaches.
- Regarding Data Stewardship, two aspects coming out of Advisory Panel deliberations and the public engagement process are the concept of a “Data Trust” and the issue of “data residency.”
- A “Data Trust” refers to a mutual organisation formed to manage data on its members’ behalf. Participants would pool their data forming a trust, stipulating conditions under which data could be shared. The trust would retain a duty of care without conflicting goals such as making a profit or furthering a research career. Waterfront and Sidewalk are considering whether such an approach may be appropriate in the context of Quayside.

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- Data residency (where data is stored) has come out as a sensitivity within the Waterfront/Sidewalk public engagement process. Members of the public have expressed the view that data collected as part of the Quayside project be retained in Canada. As data residency and routing laws do not require data to be stored in Canada, it is expected that heightened public attention will be paid to how the Development Agreement addresses this element.

Annex A provides more context on these themes and includes critical questions the DSAP is drawing on in its analysis of the draft principles which, numbering at around 25, will either meet or exceed applicable Canadian legislative/regulatory requirements in these areas. You may wish to draw upon these in engaging in discussions during the retreat.

Glenn Campbell Assistant Deputy Minister Investment, Partnerships and Innovation Branch	Date
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Annex A – Context and Questions on Responsible Data Use in the context of Quayside

ANNEX - Context and Questions on Responsible Data Use in the context of Quayside (developed by Sidewalk Labs)

Privacy

Privacy is about individual control over how personal information is collected used, and shared.

Different rules and protections may apply to different kinds of data, depending on the extent to which individuals can be identified from the data. Sidewalk Toronto (ST) will, however, implement appropriate guidelines and policies governing the use of all data, including data that is not personal information, such as environmental data. In respect of privacy, ST has voluntarily made the following commitments:

- Sidewalk will always inform individuals of how and why their personal information is being collected and used, and we will do so in a way that is proactive, clear, and easy to understand.
- Sidewalk will embed data privacy into everything we do from the very start, an approach known as Privacy by Design.
- If a service to which you opt in requires individual identification, you will have meaningful control over how your information is used. Otherwise, data that includes personal information will be “de-identified” by default— anonymized and designed not to trace back to any individual.
- Sidewalk will seek meaningful consent from individuals and honour their choices.
- Sidewalk will conduct privacy impact and threat risk assessments to help ensure that privacy and security risks are identified and adequately addressed in the design of new technologies and programs.
- Sidewalk will publish summaries of the privacy implications of key initiatives in advance, as guided by the Data Governance Advisory Working Group.
- Sidewalk will not sell personal information to third parties, or use it ourselves for advertising purposes.

In addition to these commitments, Sidewalk continues to explore several questions related to privacy, including:

- **What does “meaningful consent” look like with data collected in the public realm—for instance, with cameras located at intersections to help improve street safety?**
- **Are there some types of collection and uses of personal information that should never be considered?**
- **How can ST plan to improve digital literacy so all stakeholders—including individuals, government, and companies—better understand the benefits and their choices?**

Data Stewardship

Data stewardship is about the use, control, ownership, and storage of information. It includes considerations such as governance (who oversees decisions related to data use), data residency (where data is stored), and usage terms (how data is licensed or shared). A strong policy on data stewardship must thoughtfully balance public and individual interests. The questions on data stewardship that we are exploring include:

- What are some conventional approaches to data ownership in cities, and what are their strengths and weaknesses?
- What responsibilities come with “owning” data (such as security or infrastructure maintenance)?
- What are the technological, economic, and security-related advantages and disadvantages of requiring data to be stored in Canada?
- Are there viable innovative models of governing urban data, such as establishing a non-profit data trust that oversees decisions?
- If an independent entity such as a data trust were to exist, what impact might that review process have on the speed of innovation?

Access to Data

Access to data deals with questions of how broadly and on what terms data is made available. Open access encourages participation, innovation, learning, and improvements in all aspects of public life while also discouraging lock-in around specific products or companies (including our own). To achieve that goal, Sidewalk Toronto envisions a digital platform governed by open standards, providing well-designed, well-documented, and well-supported APIs to third-party developers. The questions on access to data that we are exploring include:

- What processes should be used to decide what data is made public, and how can these processes address privacy and public safety concerns?
- How could an open data protocol for Sidewalk Toronto complement the city’s existing Open Data Catalogue?
- How do we encourage a vibrant startup community while making sure it uses data in ways that benefit neighbourhoods?
- What is the right balance to strike between making data broadly available and ensuring that entrepreneurs have the necessary incentives to set up shop and develop intellectual property as part of Sidewalk Toronto?

Data Security

Data security is about protecting data and minimizing the potential for breaches. We will work with best-in-class security solutions and partners to protect data that has been collected, and require anyone who uses this platform to meet the same high standard of security. We will welcome third party audits of our security and de-identification protocols. The questions on data security that we are exploring include:

- What are strategies for achieving both open digital infrastructure and best-in-class security?
- How do we make our systems easily auditable and transparent?
- How do we enforce a rigorous security policy without creating a barrier to entry for startups?
- What type of transparency should exist around security threats or breaches?



SCENARIO NOTE TO THE MINISTER

MEETING BETWEEN MINISTER OF INFRASTRUCTURE AND COMMUNITIES AND WATERFRONT TORONTO (WT)

MEETING DETAILS

- **DATE/TIME:** Friday, June 22, 2018, 11:30 a.m. to 12:15 p.m.
- **LOCATION:** 150 King Street, Toronto
- **PARTICIPANTS (TBC):**
 - Ms. Helen Burstyn, Chair of the Board of Directors, Waterfront Toronto (Ontario)
 - Ms. Janet Rieksts-Alderman, Director, Waterfront Toronto
 - Ms. Jeanhy Shim, Director, Waterfront Toronto
 - Mr. Mazyar Mortazavi, Director, Waterfront Toronto
 - Ms. Sevaun Palvetzian, Director, Waterfront Toronto
 - Mr. Will Fleissig, President and CEO, Waterfront TorontoBiographies are available in Annex A

ISSUE

The Minister will be meeting with WT executive leadership and federally-appointed Board members. WT will update on the Quayside, Port Lands, and Cherry Street Lakefilling projects.

KEY CONSIDERATIONS

- WT is a not-for-profit entity established under provincial legislation to lead and implement the Toronto Waterfront Revitalization Initiative (TWRI). The three orders of government each appoint four of its twelve Board members. The Deputy Minister of INFC is chairing the Inter-Governmental Steering Committee (IGSC) for the TWRI this year, being a senior officials-led information sharing and coordinating body among the three levels of government and WT. It will meet next in September.

Quayside:

- WT and Sidewalk Labs, a subsidiary of Google parent-company Alphabet, are leading the development of a technology plan to be tested in the 5-acre Quayside district located in the East Bay Front southeast of Downtown Toronto at Parliament Slip, adjacent the Lower Don Lands and Port Lands. The plan would see the creation of a “smart city” that would include mixed residential, commercial, and retail development.
- Following a Request for Proposal (RFP) for a development funding partner, WT entered into a Framework Agreement in October 2017 with Sidewalk Toronto, Limited Partnership – a newly created entity, and affiliate of Sidewalk Labs. The Framework Agreement sets out the basic terms and principles for the Quayside and Eastern waterfront Master Innovation and Development Plan (MIDP).

- Under the Framework Agreement, WT and Sidewalk Toronto are working on establishing a Partnership Development Agreement (PDA), a public document that will provide a work plan to ultimately complete the MIDP by the end of the calendar year. A draft PDA will be available for WT Board review and review by the three levels of government in early-mid July.
- At the same time WT and Sidewalk are undertaking a public engagement process involving town halls and other means to keep the public informed and reflect feedback in the Quayside initiative as it moves forward. WT has also established an arms-length Data Strategy Advisory Panel to provide insight on ethics, accountability, transparency, protection of personal privacy, data governance and cyber security as the Quayside initiative develops.
- Since the federal government is not a funding partner in the Quayside project, its interest in WT's engagement with Sidewalk Toronto is to understand how activities will inform Government of Canada policy development on data ownership/control, privacy and ethics. INFC acts as a portal for linking to the broader federal community on policy questions and other issues.

Port Lands Flood Protection / Cherry Street Lakefilling (PLFP Project)

- In June 2017, the federal government announced a funding contribution of \$416 million towards flood protecting Toronto's Port Lands, which includes \$32.5 million for the Cherry Street Stormwater and Lakewater project which was funded separately under the Clean Water and Wastewater Fund (CWWF).
- The PLFP Project Contribution Agreement (PLFP CA) came into effect on May 1, 2018. INFC is establishing an oversight committee with WT that will serve to monitor WT's compliance to the PLFP CA.
- WT has satisfied federal duty to consult requirements to date and is engaged with First Nations communities on a means to formalize their involvement in public realm and other project aspects.
- Cherry Street lakefilling is advancing, with barges currently delivering core stone fill onsite.
- Work on the PLFP Project is progressing nicely and WT is planning to start site mobilization the first week of July.

KEY BACKGROUND

PLFP Project

- The next phase of waterfront revitalization includes flood protecting the Port Lands. The PLFP Project is expected to provide critical flood protection through the creation of a naturalized mouth for the Don River. The project scope includes brownfield remediation, the creation of public parks, green space, and upgrades to existing municipal infrastructure including roads, bridges, and water and wastewater systems. It is expected to establish new aquatic habitats and wetlands that support native species. The governments of Canada, Ontario and Toronto are contributing funding equally in a total amount of \$1.25 billion for the flood protecting of the Portlands.

UNCLASSIFIEDQuayside

- On October 16, 2017, the WT Board of Directors endorsed the selection of Sidewalk Labs as the preferred proponent to move forward as the Innovation and Funding Partner for the Quayside Project. This resulted in a Framework Agreement with Sidewalk Toronto, Limited Partnership – a newly created entity, and affiliate of Sidewalk Labs. The Framework Agreement sets out the basic terms and principles for the Quayside and Eastern waterfront MIDP.
- The endorsement would initiate a year-long multistage negotiation to develop a business plan for an innovative and sustainable smart city project. The Quayside project is viewed as a long-term project that would likely extend beyond WT's 25-year mandate which expires in 2028. [REDACTED]
- The Quayside project will create a new community that will serve as the pilot project to test the vision and desired outcomes for the eastern waterfront. This would encompass a mixed-use of 'smart' community concepts, innovative building techniques and connectivity to build a climate positive city.
- WT has recently formed an arms-length Digital Strategy Advisory Panel to provide guidance on how best to incorporate data privacy, digital systems, and the safe and ethical use of new technologies in the next phase of waterfront revitalization. INFC has been monitoring data and privacy issues related to Waterfront Toronto and the Quayside project– mindful of the national conversations on these issues and possible higher level approaches being considered by the Government of Canada.

POINTS TO REGISTER

- Cities and urban data have become a focal point for the broader discussion on data, including with respect to Quayside and Sidewalk Labs. Mindful of national conversations taking place on this issue, INFC is interested in closely monitoring the data discussion on Quayside.
- I am happy to learn how the PLFP Project is progressing. This initiative will help flood protect portions of Toronto's downtown waterfront and support the transformation of the Port Lands into a vibrant and resilient downtown neighborhood.

Annex A – Biographies of WT Board members and WT CEO Will Fleissig

Helen Burstyn
Chair of the Board of Directors, Waterfront Toronto



Appointed by the Province of Ontario in February 2016 and assumed the role of Chair in January 2017.

Helen Burstyn has enjoyed a 35-year career in government, business, academia, broadcasting and community service.

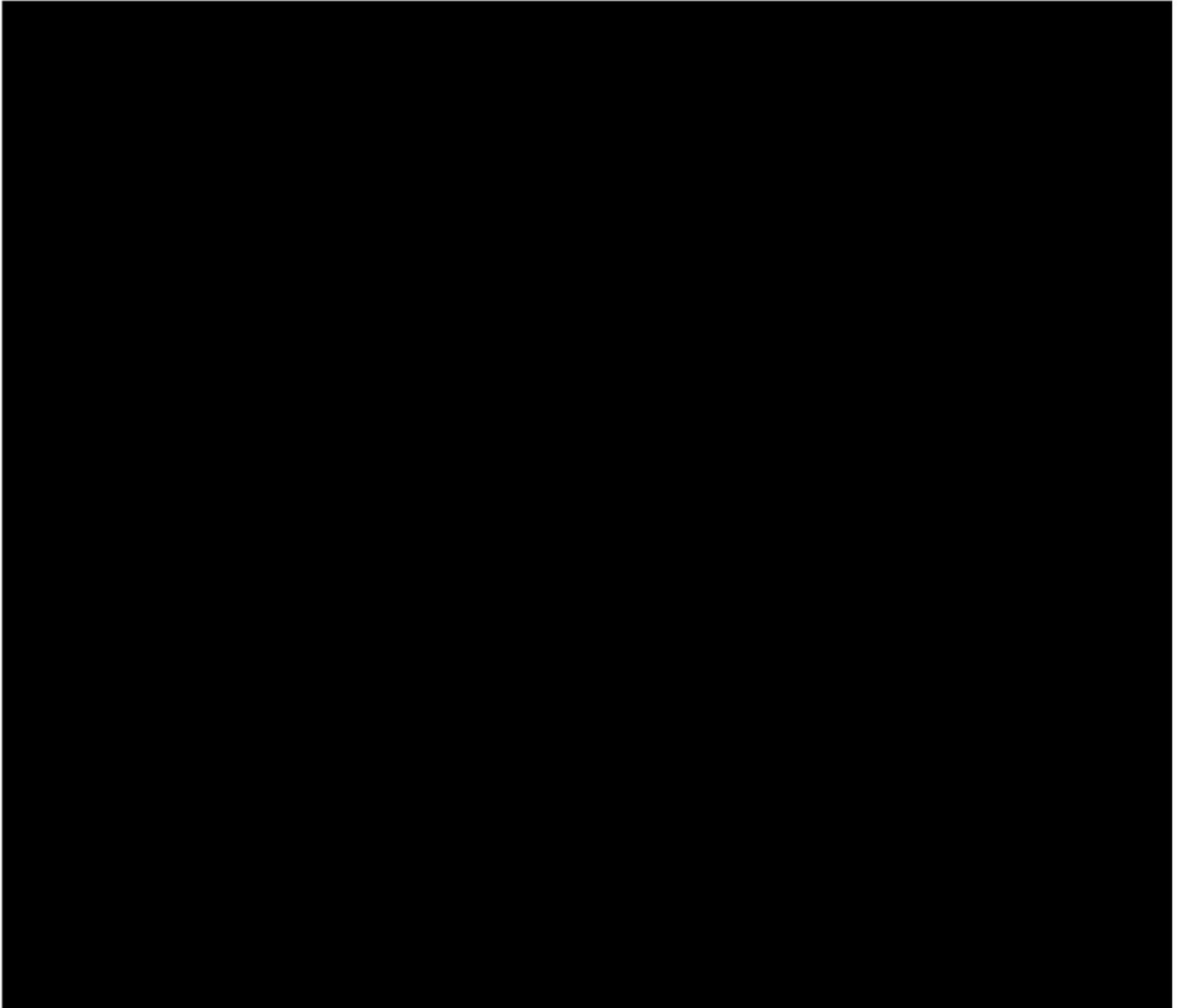
She is currently the Distinguished Visiting Professor in the Social Venture Zone at Ryerson University and the co-host of Toronto Files on RogersTV, a weekly community affairs program focusing on the people and issues that matter to Toronto.

The former Chair of the Ontario Trillium Foundation, Helen also served for several years as the Government of Ontario's Special Advisor, Social Enterprise and Chair of the Partnership Forum, the province's advisory body on the not-for-profit and voluntary sectors.

Helen is a director of many non-profit and charitable organizations. She currently serves as Chair of Evergreen and The Walrus Foundation. She is a board member of the Canadian Opera Company, Harmony Hall Centre for Seniors, The Learning Partnership, Luminato, Prime Ministers Row (Ottawa), Soundstreams, the Toronto International Film Festival (TIFF), and the Toronto Public Library Foundation. She is also on the advisory boards of LIFT Philanthropy Partners, the Koffler Centre for the Arts and The Pecaut Centre for Social Impact (LEAP), an organization she co-founded. She served for nine years as a Trustee of CAMH and is a past-president of the Canadian Club of Toronto, co-founder of Gilda's Club Greater Toronto and a founding member of Equal Voice.

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Janet Rieksts-Alderman
Director, Waterfront Toronto



Jeanhy Shim
Director, Waterfront Toronto



Appointed by the government of Canada in June 2017.

Jeanhy has been working in the real estate development industry for the past 25 years, providing strategic market analysis, advice and innovative solutions to leading developers, financial institutions, brokers and consultants in the Toronto GTA. Her experience spans the full spectrum of real estate development, including land acquisition, market research and analysis, product development, sales and marketing strategy, sales team management, customer service and post-construction service.

As a Vice President or Consultant, Jeanhy has been involved in over 100 residential projects across the Toronto GTA, as well as projects in other areas of Ontario, Canada and USA. In 2013, she also founded Housing Lab Toronto – an independent housing research think-tank dedicated to re-thinking how we grow our cities; and in 2015, she launched the Children's Discovery Centre pilot project - Toronto's first and only children's museum. The goal of the pilot was to demonstrate a growing need for family-friendly amenities as key part of our growing city, and based on its success, work is now underway to open a permanent, world-class children's museum in Toronto.

Jeanhy has a Master's degree from the London School of Economics and Political Science, and a B.A. from McGill University.

Mazyar Mortazavi
Director, Waterfront Toronto



Appointed by the government of Canada in January 2017.

Mazyar Mortazavi, President and CEO of TAS, is a prominent Toronto city builder with a passion for community-based initiatives. As an entrepreneur for the public good, Mazyar operates on the philosophy that connected communities lead to more beautiful, resilient cities. With this passion for cities, he spearheads projects and initiatives that celebrate culture and art, prioritize sustainability, and foster positive neighbourhood relationships.

After receiving his undergraduate degree in Environmental Studies and Masters in Architecture from the University of Waterloo, Mazyar joined TAS, the family business. Over the past 16 years, he has applied a strong environmental and progressive approach to business earning TAS a B Corp certification and numerous project awards. Under Mazyar's direction, TAS is on the leading edge of change, developing beautifully designed residential and commercial buildings in multiple urban neighbourhoods.

Sevaun Palvetzian
Director, Waterfront Toronto



Appointed by the government of Canada in December 2016.

Sevaun Palvetzian has been CEO at CivicAction since January of 2014. Before CivicAction, Sevaun held several senior executive roles within the Ontario Government including leading the Ontario Place Revitalization project and launching the Youth and New Professional Secretariat – a government-wide strategy to attract and retain future generations of leaders which included launching the award-winning Learn and Work Program for at-risk youth.

Prior to her work in government, Sevaun held positions at the University of Toronto, the World Bank Group, and Presidential Classroom, a Washington D.C. -based civic education organization. Sevaun frequently contributes to city-building efforts including serving as a member of the Premier's Community Hubs Advisory Group, the City of Toronto's Poverty Reduction Strategy Advisory Committee, The Toronto Police Service Board Transformational Task Force, and as a member of Mayor John Tory's Advisory Panel for International Hosting Opportunities. She also sits on the Board of Directors for both Toronto Region Immigrant Employment Council (TRIEC), NPower Canada, and is a member of Ivey Business School Leadership Council.

She completed the Ivey Executive Program at the Ivey School of Business and has an M.A. in history from the University of Western Ontario.

Will Fleissig
President and CEO, Waterfront Toronto



Before joining Waterfront Toronto in January 2016, Will was the President of Communitas Development, a real estate development and advisory company in San Francisco that leads and advises on community-oriented urban developments. He has overseen multiple award-winning, mixed-use, large-scale urban projects.

Will has served in the public sector as the Director of Planning and Development for the City of Boulder, Colorado, and as the Director of Downtown Planning and Development in Denver, where he led the city's efforts to revitalize several historical areas of the city.

Previously, Will directed the planning of many prominent transit-oriented development projects including Boston's North Station Development Plan, Kendall Square/Cambridge Center Master Development Plan and Denver's Union Station Master Development Plan.

Will is well-known nationally as a development and thought leader, building new and existing communities into sustainable, accessible, vibrant and beautiful places. His experience in community engagement, district-scale sustainability, building equitable and inclusive communities, and transit-oriented development serves as an ideal match for Waterfront Toronto's overall approach and vision for community- and city-building.

Will holds a Bachelor of Arts from the University of Pennsylvania; a Bachelor of Architecture in urban design from the City College of New York, and a Master in Public Administration with an emphasis on public finance from Harvard's John F. Kennedy School of Government. He is a licensed architect in the State of California.

**SCENARIO NOTE****Toronto Waterfront Revitalization Initiative – Intergovernmental Steering Committee**

Date/Time:	November 13, 2018, 2:30 -4:30pm	
Location:	In-person and by teleconference at Toronto City Hall 24E	
Subject:	Intergovernmental Steering Committee (IGSC) between Infrastructure Canada, the Ontario Ministry of Infrastructure, the City of Toronto and Waterfront Toronto (WT)	
Participants:	<p>INFC Kelly Gillis Glenn Campbell Shawn Tippins (Others TBC)</p> <p>Ontario Ministry of Infrastructure Scott Thompson (Deputy Minister) Adam Redish (Assistant Deputy Minister) Wendy Ren Cam Whitehead Catalina Manning (Others TBC)</p>	<p>City of Toronto Chris Murray (City Manager) Lou Di Gironimo (Deputy City Manager, Cluster B) David Stonehouse (Director, Waterfront Secretariat) Jay Paleja (Manager, City Manager's Office) Siri Agrell (Special Assistant, Mayor's Office)</p> <p>Waterfront Toronto Michael Nobrega (A/ CEO) Marisa Piatelli (Chief Strategy Officer) Meg Davis (Chief Development Officer) David Kusturin (Chief Project Office) Lisa Taylor (Chief Financial Office) Edward Chalupka (Government Relations) Kristina Verner (VP, Innovation, Sustainability & Prosperity)</p>

Departmental Objectives

- There are no decision items outside of approval of previous meeting minutes.
- IGSC will allow INFC officials to receive updates and discuss the next steps regarding the following agenda items:
 - Quayside
 - Port Lands Flood Protection
 - WT's 5-year Plan
 - WT Financial Update - focus on Ontario Auditor General (AG) Report

Stakeholder Objectives**Context**

- A meeting agenda for the quarterly IGSC can be found in **Annex 1**. You chaired the last IGSC meeting in Toronto on September 6, 2018 – see meeting Minutes under **Annex 2**.

Quayside*Quayside MIDP Update & Approach to Evaluating the MIDP*

- This presentation contains both an upfront context piece from WT that overviews the MIDP as well as a piece outlining WT's proposed MIDP Evaluation Framework approach. These can be found in **Annex 3a**.
- In terms of overview, the MIDP will be formatted in three volumes, as follows:
 1. Development Plans at three scales;
 2. Pillar Deep Dives and Innovation Ideas;
 3. Business Terms, Financial Model, Roles & Responsibilities, Policy Impacts, Implementation
- We have been told that the individual chapters are in various states of readiness, with some further along than others. [REDACTED]
[REDACTED] WT has signalled to governments its concern about current timelines for completion, suggesting that a complete draft will likely not be ready for governments to preview in January as was previously suggested.
- The context piece is in response to our requests to WT to produce an overview of key MIDP issues, how these will be gated and how each issue may impact the different orders of government. Aside from a development schedule provided on slide 5, slide 11 of the document gives a sampling of legislative and regulatory areas that may need to be considered, broken-down by pillar area and

order of government. These are followed by more granular examples at the provincial and municipal levels.

- WT is in the process of creating a framework against which the MIDP will be evaluated, including but not limited to WT's existing corporate objectives as well as those that were set out in the original RFP. WT envisions applying both quantitative and qualitative measures, as well as a 3rd party peer review (private sector consultancy) across the entire scope of the MIDP.
- The framework proposes a series of MIDP implementation requirements ("must do's") around: public engagement commitments; data privacy and governance (e.g., creation of project-specific policies and protocols); local developer engagement; design excellence; and partnership model (e.g., revenue sharing and IP).
- The framework also sets targets and desired outcomes for MIDP "pillar" objective around: economic development; affordable housing; digital platform; sustainability; mobility; public realm; buildings; and, community services. Within these groupings, WT is proposing five "must have" priorities with respect to success of the MIDP: (1) job creation; (2) climate positive; (3) affordable housing; (4) new mobility; (5) innovations (*to be further defined by WT*).
- The deck being presented to IGSC forms a starting point for discussions on an approach to evaluating the MIDP, which is expected to be a dense and complex document. WT is aiming to finalize this framework approach by the end of November for possible public release at the Public Roundtable #4 on December 8th.

Digital Strategy Advisory Panel (DSAP) – activities and way forward

- WT short brief on DSAP update can be found in **Annex 3c**.

- The DSAP last met on October 18th. It was the first meeting since the resignation of panel member Saafia Muzzafar. At the meeting, SWL outlined draft proposals for a Quayside digital governance framework – see also **Annex 3c**. The proposals focused on the following key components:
 - Responsible Data Use (RDU) Guidelines – application of the guidelines to all parties in Quayside, not just SWL, to put personal privacy and the public good first while fostering innovation
 - Civic Data Trust – an independent entity to control, manage and make publicly accessible all data that could reasonably be considered a public asset....move away from entities, including SWL, solely owning and controlling these assets
 - Responsible Data Impact Assessment (RDIA) – all entities proposing to collect or use urban data, including SWL, will have to file an RDIA with the Trust that is publicly available and reviewable
 - Open Standards – SWL will base its technology on open standards....so anyone can plug in or compete
- DSAP members sought clarity and challenged elements of the proposed SWL approach. Highlights from this session are as follows:
 - The data trust proposal is generally viewed favourably although other possible solutions should continue to be explored;
 - A data-related pilot should be launched in order to take a small aspect of the proposal out of the abstract and give the public a tangible sense of what this project will mean for them;
 - Data collected at Quayside by SWL should be housed in Canada contrary to Sidewalk's arguments against data localization (e.g., no legal requirement; more resilient infrastructure found elsewhere) which members found unconvincing; and
 - More time is needed to develop a credible MIDP (a consultation draft is currently slated for public release in spring 2019).
- Subsequent to the meeting, DSAP established four sub-working groups. These will more closely examine data trusts, data literacy issues and another will look at IP aspects of the SWL digital governance proposal.

Port Lands Flood Protection (PLFP) and Cherry Street Lakefilling Projects

- WT presentation documents (portfolio and project-level dashboards) as well as a one-pagers from INFC-POB on PLFP and Cherry Street can be found in **Annexes 4a-4c**. The recently executed terms of reference for the INFC-WT Oversight Committee may be found under **Annex 4d** as well.
- Work on the PLFP Project is progressing on schedule and WT has commenced site mobilization. Costs incurred as of September 30, 2018 are \$48M. [REDACTED]
- The INFC-WT Oversight Committee held their first meeting on September 21, 2018. A second Oversight Committee was held on October 25, 2018. The Oversight Committee Terms of Reference were executed on October 24, 2018.
- The Cherry Street Project is progressing on schedule. Rock anchor installation for dockwall at Cell 1 confinement is now completed. Relocation of inner berm to the future Cherry Street ROW is also completed. RFP is closed for Hydroseeding, Tree Planting and Landscaping, and is now under review prior to awarding the contract. Work that is ongoing/to be completed in the next period includes:
 - Preparatory works for installation of underlayer stone over corestone ongoing;
 - Awarding the Hydroseeding, Tree-planting and Landscaping package;
 - Ongoing lakefilling in Cells 2 and 3;
 - Installing cap beam formwork and rebar on completed combi-wall;
 - Completing installation of underlayer stone over corestone at the Revetment; and
 - Commencing lakefilling for Cell 1.

WT 5-year Strategic Business Plan

[REDACTED]

The Plan is expected to be adopted by the Board of Directors on December 6.

- WT is required by legislation to deliver a 5-year business plan covering the fiscal periods 2019/20 to 2023/24, which requires Board approval by end of December. The Plan itself does not require the approval of the three orders of government.
- Characterized as a rolling 5-year Strategic Business Plan (i.e., will be updated on an annual basis as projects and initiatives evolve) the document covers the Corporation's objectives and plans to enhance the economic, social and cultural value of the land in the designated waterfront area.

[REDACTED]

- **Spending:** calls for a total capital investment of \$1.9 billion over the next five years as follows:
 - \$1.5 billion towards WT's portfolio of existing projects (all funded); and
 - \$400 million - raised mainly from philanthropic foundations, private donors and major corporate sponsors - for three signature opportunities (Jack Layton Ferry Terminal; Waterfront Walk; Adventure Playground) and two aspirational initiatives (iconic building that could house a Global Centre for Urban Science; Quayside). Approximately 50% of funds would be spent in this five-year strategic business plan cycle.

- WT must still also produce a Corporate Plan for 2019/20. This year it is included as a subset of the 5-year Plan.

WT Financial Update – Ontario Auditor General Report

- The report itself is 48 pages and contains 10 recommendations. 5 of which are deemed to be directed at MOI "in conjunction with its government partners" to improve project approvals, but also review WT's mandate to ensure it has the necessary authority to carry out its mandate and set

performance measures for WT. We understand the recommendations directed at government(s) to be as follows:

- Work together to review WT's mandate with respect to its roles and responsibilities, with a view to ensuring it has the proper authorities both as a body for coordinating and driving revitalization activities. This should also look at streamlining overlapping mandates with other agencies that play a role in waterfront activities.
 - Implement a plan to ensure that revitalization activities are self-sustaining and that explores partnering with the private sector and seeking other sources of revenue.
 - Establish a framework to guide the development of funding decisions, and put in place a dispute resolution process.
 - Establish corporate (not project-level) performance measures and targets for WT related to the legislative mandate.
- A fifth recommendation concerning Sidewalk Labs/Quayside has been developed. However, at the request of the AG, MOI is not a liberty to disclose the recommendation at time of writing.
 - MOI has taken the lead in drafting a response to the AG report, and is committed to sharing a draft with INFC and the City by mid-afternoon on Thurs, Nov 8. INFC will input to the process as more information becomes available.
 - In August 2018 the AG's office circulated a "Factual Clearance" document, containing 149 statements as well as eight tables and six appendices, for comment by the three levels of government and WT. INFC provided considerable feedback, seeking to correct inaccuracies and, where needed, provide historical context where it was lacking in the AG narrative.
 - IPI and INFC Communications are working together internally, as well as with tri-government partners, to position the federal government's public response to the Auditor's findings.

In-Camera

- No requests have been received to date on issues to raise in-camera, but will be guided by the specifics of the conversation over the preceding agenda items.

Annexes:

Annex 1: Agenda

Annex 2: Minutes from the September 6th

Annex 3: Quayside Update

- a. WT MIDP Evaluation Framework deck
- b. WT MIDP Dashboard
- c. WT DSAP update
- d. WT Communications Strategy deck

Annex 4: Port Lands Flood Protection

- a. WT Portfolio Dashboard
- b. WT Cherry Street Dashboard
- bi. INFC Cherry Street 1-pager
- c. WT Port Lands Dashboard
- ci. INFC Port Lands 1-pager
- d. Port Lands OC Terms of Reference

Annex 5: Draft 5-Year Plan (October 17th version)

- a. IPI comments on 5-Year Plan (Nov 5th version)


Annex 6: WT Financial Update – AG Report: WT communications approach

**Pages 23 to 27
are withheld
pursuant to paragraphs
20(1)(b), 20(1)(c), 20(1)(d), 21(1)(a) and
21(1)(b)
of the *Access to Information Act***

**Les pages 23 à 27
Font l'objet d'une exception totale
conformément aux dispositions des
paragraphes
20(1)(b), 20(1)(c), 20(1)(d), 21(1)(a) et 21(1)(b)
de la loi sur l'accès à l'information**

Agenda
Toronto Waterfront Revitalization Initiative IGSC
November 13, 2018

Toronto City Hall, 24th Floor large boardroom, East Tower, and by Teleconference
 2:30 – 4:30 PM

- 
1. **Welcome remarks and introductions** - Kelly Gillis, Deputy Minister, INFC (5 min)
 2. **Approval of September 6, 2018 IGSC Minutes** – All (5 Min) – Decision Item
 3. **Quayside** – WT Chief Development Officer Meg Davis (60 Min) – Information Item
 - *Approach to evaluating the MIDP*
 - *Dashboard; timeline & milestones*
 - *Digital Strategy Advisory Panel*
 - *Activities and way forward*
 - *Communications Strategy*
 4. **Port Lands Flood Protection Update** – WT Chief Project Officer David Kusturin (10 Min) – Information Item
 5. **Waterfront Toronto 5-year Plan** – WT Chief Strategy Officer Marissa Piattelli (20 Min) – Information Item
 6. **WT Financial Update** – WT Chief Financial Officer Lisa Taylor (20 Min) – Information Item
 - *Provincial AG Audit Update*
 7. **In Camera** – (10 Min)

Final for IGSC Approval

Toronto Waterfront Revitalization Initiative Intergovernmental Steering Committee Meeting Minutes

September 6, 2018
2:30 to 4:00PM

Federal Representatives:	Kelly Gillis (chair), Glenn Campbell, Nancy Faraday-Smith, Shawn Tippins, Marie-Pier Nassif, Kathy Morin, Krishen Matharu, Brook Simpson, Alex Corbeil
Provincial Representatives:	Scott Thompson, Adam Redish, Wendy Ren, Andrew Roberts, Richard Sookraj
City of Toronto Representatives:	Chris Murray, Lou Di Gironimo, David Stonehouse, Gwen McIntosh, Brett Howell
Waterfront Toronto Representatives:	Michael Nobrega, David Kusturin, Lisa Taylor, Meg Davis, Edward Chalupka, Kristina Verner

	ITEMS DISCUSSED	
1.	Welcome and Introductions	<ul style="list-style-type: none">Chris Murray was introduced as the new City Manager for the City of Toronto.
2.	Approval of Meeting Minutes	<ul style="list-style-type: none">Both the May 10 and July 20 IGSC minutes were approved, subject to minor edits to the May 10 minutes.
3.	Port Lands Flood Protection (PLFP) Update	<ul style="list-style-type: none">David Kusturin presented an update on both the Cherry Street Lakefilling quick-start and the Port Lands Flood Protection projects.The Cherry Street project is currently under budget but is forecast to use its full allotted amount. The project is progressing on schedule, with 450-500 truckloads of fill being delivered per day.For Flood Protection, the WT Board has approved \$122M in soft costs, of which WT has spent \$30M to date. WT noted that large monetary commitments are expected over the coming months as construction tenders are awarded and started.Construction of the Flood Protect project began on July 1st. Some demolition work is underway in the area and excavation of the river and soil treatment are expected to begin in the next couple of months. The project is at 30% to 60% design and design work will continue to advance as construction begins.WT outlined its 10 top-level current risks/opportunities that could impact project costs for Flood Protection. WT has

		<p>identified a mitigation plan for the top risk – the Gardiner Express Underpinning – which should reduce some \$20 M of anticipated cost risk.</p> <ul style="list-style-type: none"> • After the presentation, differences in risks identified in the PLFP Executive Steering Committee (ESC) dashboard against those outlined on slide 12 of the Port Lands presentation were noted, and WT was asked how the dashboard relates to the top-level risks outlined in the presentation. • WT responded that the deck reflects risks as of two weeks prior to this IGSC meeting; whereas the PLFP ESC dashboard was prepared in July; reporting reflects the highest level risk identified at the time of producing monthly reports. • Action: It was requested that updates provided to the IGSC be consistent with information presented in the dashboard; and to bring to the IGSC's attention anything that may affect the results, risks, or Key Performance Indicators, with the intention of providing the IGSC with advance awareness of issues. • Scott Thompson expressed support for this request. He also pointed to the PLFP Project Baseline Schedule on slide 11 of the presentation, and requested that WT produce for the IGSC a schedule of PLFP communications milestones, and an associated communications plan. • Action: WT agreed to provide PLFP dashboards to all IGSC members, not just ESC members. WT is to provide a schedule of PLFP communications milestones and associated communications plan.
4.	Quayside Update	<p><i>Quayside General</i></p> <ul style="list-style-type: none"> • Meg Davis presented on Quayside, noted the July 31 release of the Plan Development Agreement (PDA), and provided an update on the Master Innovation and Development Plan (MIDP) process. WT indicated that the Quayside Project Management Team is working on a Port Lands-like dashboard for the Quayside project; and spoke to an Evaluation Framework and targets that Sidewalk Labs will need to meet to satisfy the Framework. The Evaluation Framework is due to be completed in November. • WT was asked if it would provide the IGSC with the targets and the Evaluation Framework before it goes public. • WT offered that it could hold a review session with the relevant government staff teams.

		<p><i>MIDP</i></p> <ul style="list-style-type: none"> WT was asked to provide the IGSC with a detailed critical path for the MIDP, including what is expected of governments, and to provide a clear understanding of the feedback loop on the public's engagement on the MIDP, particularly with respect to how public input will be incorporated. <div style="background-color: black; height: 150px; width: 100%;"></div> <ul style="list-style-type: none"> Action: WT agreed that a Critical Path for the MIDP would be provided and that a draft Quayside dashboard is under development and would include many of the elements requested by government. <p><i>Digital Strategy Advisory Committee</i></p> <ul style="list-style-type: none"> Kristina Verner provided an update on the Digital Strategy Advisory Panel (DSAP) and indicated a need to fill two DSAP vacancies. The DSAP has met three times to date and is finalizing a work plan for consideration at its next meeting, now planned for October. WT is working with the DSAP on materials for a series of Civic Lab engagement events, the dates for which are likely to be revised. WT has invited active government participation in the Civic Lab event dialogues (not just observation). The City reiterated the need for a communications strategy that could help the IGSC anticipate / be aware of DSAP developments. Meg Davis spoke to the public engagement plan and reinforced the need for WT to be proactive in leading the public interest piece of the data element of Quayside. The Ministry of Infrastructure also reiterated the need for a communications strategy that illustrates respective responsibilities and issues management. It was noted that governments are on the receiving end of public perceptions and it is therefore important to get ahead on such issues – not just be reactive, and that now is the appropriate time to do so before the MIDP is solidified. As a result, consideration should be given to bringing aspects of the national dialogue on data and privacy into Quayside-related consultations.
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Final for IGSC Approval

		<ul style="list-style-type: none"> WT was asked to further explore DSAP communications opportunities and to identify the dependencies (e.g., considerations around sequencing, who needs to be at the table).
5.	Waterfront Toronto 5-year Strategic Plan	<ul style="list-style-type: none"> Michael Nobrega indicated that the WT 5-year Strategic Plan will include some asks of the governments. The IGSC will receive a copy of the draft plan for review/comment 2 days after WT brings it to their Board on October 11. The intent is to allow government's up to six weeks to review and provide input on the draft. It was noted that review of the 5-year Strategic Plan by all governments by the November IGSC may not be feasible.
6.	Waterfront Toronto Financial Update	<ul style="list-style-type: none"> Lisa Taylor provided a high-level overview of the financial update presentation. WT indicated that it is open to IGSC feedback on the first iteration of the Portfolio Dashboard. [REDACTED] For the Enterprise Resource Planning (ERP) system WT is confident it can launch the system in October. With respect to the Ontario Auditor General Value-for-Money audit, WT noted that it is expecting a draft AG report in October. The City noted some factual and contextual errors in the Factual Clearance document that it had been provided. The City also clarified that it would provide feedback in writing and would request a meeting with the Auditor General's office to discuss its feedback. Action: The IGSC will provide comments to WT on the Portfolio Dashboard. It was noted that if the extension of borrowing is brought forward in the context of the 5-year plan, a rationale will be required to explain need. .
7.	Tri-government / Waterfront Toronto Accord	<ul style="list-style-type: none"> The presentation on the Accord was treated as "read" in the interest of time. No specific recommendations were discussed. The IGSC directed the Tri-Government Working Group (TWG) to keep developing the draft text, with the goal of presenting a final draft at the next IGSC meeting.
8.	In-Camera Session	<ul style="list-style-type: none"> An in-camera session was held by IGSC members.

Quayside MIDP Update

Intergovernmental Steering Committee
November 13, 2018

VOLUME 1 Development Plans at three scales

Executive Summary		
Chapter	Description	Contributors
Executive Summary	A comprehensive synthesis of the ensuing three volumes, focusing on the plans at three scales, pillar innovations, and partnership details for Sidewalk Toronto.	Editorial team
Volume I: A Holistic Plan at Three Scales		
Chapter	Description	Contributors
Project Intro	Overview of the story that led to Sidewalk Toronto. Introduction to planning approach and goals.	All workstreams
A New Approach to Urban Planning	More detailed description of the Sidewalk Toronto approach to planning. More detailed articulation of long-term goals around quality of life and identification of the core innovations that can help achieve these goals when deployed at full scale. Each plan section to follow will demonstrate how it meets the set of core objectives introduced in this section and how it differs from traditional planning efforts.	All workstreams
Testbed Scale	This chapter describes the need for a testbed that can serve as a place of experimentation and enable ideas to evolve over time. It will include full site plans for Quayside and a description of how the pillars have informed that plan in an integrated way.	Planning Working Group (A.Winters, A. Santo) with input from Pillar Working Groups
Proof-point Scale	This chapter describes the need for larger-scale proof points that can bring the innovations being tested at Quayside to life in a significant way. This approach will include plans for a broader geography adjacent to Quayside such as Villiers-Keating in order to demonstrate the significant improvement in quality of life goals that occurs when new transportation, energy, buildings, and utilities infrastructure are deployed at a larger scale.	Planning Working Group (A.Winters, A. Santo) with input from Pillar Working Groups
Full Scale	This chapter describes the transformative quality of life impact that can be achieved when the innovations first tested at Quayside, and developed at greater scale, can be deployed at full scale. It will include a vision for how such an impact might be achieved across a geographic scale like the Port Lands.	Planning Working Group (A.Winters, A. Santo) with input from Pillar Working Groups
A New Type of Community	This chapter describes the values for inclusion driving the plan, and the social infrastructure that will be layered on top of the development to help achieve these values, including health and well-being, education and opportunity, civic engagement, and accessibility. It will then present a vision for what this community of the future might look and feel like.	All workstreams, with specific input from the Community Services Working Group (J. Lack, L. Gash)

VOLUME 2

Pillar deep dives and innovation ideas

Volume II: A New Approach to Urban Innovation		
Chapter	Description	Contributors
Innovation Introduction	Overview of the Sidewalk Toronto approach to innovation. This approach recognizes that cities have always been great engines of innovation, but that innovation can often have as many negative impacts as positive ones. That's especially true in the digital age, as the pace of innovation becomes more rapid. This section outlines the key lessons from the original smart cities movement: put people first, avoid a top-down or locked-in approach, and recognize that digital technology is just one tool that must be considered alongside design and policy to improve urban life. This section ends with the development of dozens of "pillar" innovations capable of achieving dramatic improvements in quality of life when deployed at scale.	Editorial team
Mobility	Describes the innovations that work toward a transportation system that is as convenient as today's while also being safer and healthier, more affordable, and less disruptive to public space.	Mobility Working Group (R. Aggarwala, C. Glaisek)
Public Realm	Describes the innovations that work toward a system of public space that brings together more people, more of the time, in more diverse ways.	Public Realm Working Group (J. Shapins, P. Mallozzi)
Buildings	Describes the innovations that work toward more sustainable buildings that can be constructed or adapted more quickly and at dramatically lower cost.	Buildings Working Group (K. Khalifa, R. Tasaka)
Housing	Describes the innovations that work toward a comprehensive affordability toolkit that increases housing options for people of all incomes and gives rise to a truly mixed-income neighbourhood.	Housing Affordability Working Group (J. Greenbaum, L. Gash)
Sustainability	Describes the innovations that work toward a new standard for urban sustainability and a replicable path to climate-positive communities.	Sustainability Working Group (C. Matthews, A. Barter)
Digital Infrastructure	Describes the foundations for digital tools that can help communities address challenges and improve services, while creating the open conditions for innovation. The bulk of the chapter is focused on a new framework for Responsible Data Use that will set a new global standard for protecting personal privacy while encouraging innovation.	Platform Working Group (C. Nevill-Manning, K. Verner)

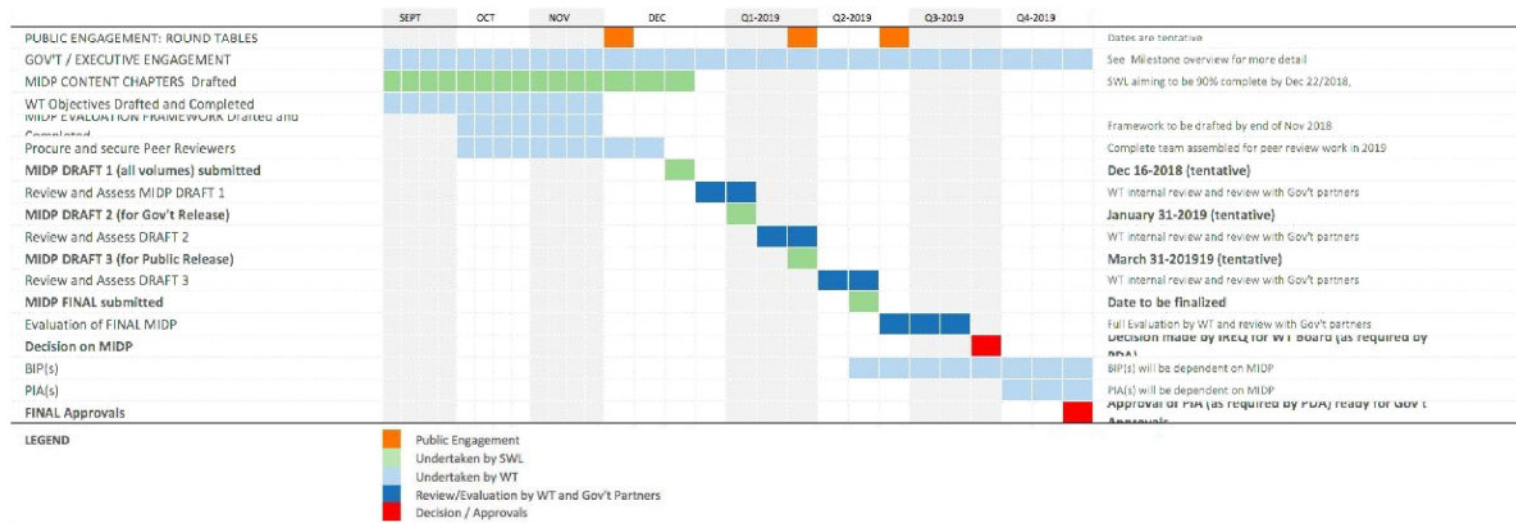
VOLUME 3

Business Terms,
Financial Model,
Roles &
Responsibilities,
Policy Impacts,
Implementation

Volume III: A Model Partnership for the 21st Century Economy		
Chapter	Description	Contributors
Partnership Introduction	Overview of this volume, which describes the details for a new type of partnership designed to achieve ambitious quality of life goals in a financially sustainable and replicable way.	Editorial team
Economic Development Plans	This chapter covers the creation of a global hub for urban innovation along the waterfront. This new cluster is catalyzed by Google Canada's Headquarters. It is supported by a new urban innovation institute and conditions that make it easy for startups to launch and for entrepreneurs to scale. It is further supported by a robust workforce development program designed to create new opportunities for local workers, and by a placemaking program that attracts knowledge economy and service workers.	SWL + WT Development Teams; specific input from the Community Services Working Group on workforce development
Roles and Responsibilities	This chapter outlines the roles of Waterfront Toronto, Sidewalk Labs, third parties including the local development community, and government in this new partnership model.	SWTO Leadership
Policies and Regulations	This chapter outlines the policies and regulations the new partnership requires to thrive, including a special innovation zone, government approvals and commitment, and the transactional agreements that protect both the public and private interests.	Policy, Communications, Government Relations teams (M. Lasher, E.Chalupka)
Financial and Economics	This chapter outlines the financial approach to implementation at scale, and the Sidewalk Labs' business model.	SWTO Leadership
Implementation Details	This chapter outlines the phased implementation for development over various scales, including economic impact anticipated at each scale.	SWTO Leadership; Planning Working Group

MIDP

Development Schedule Overview



Pillar Overview

Sustainability

A truly climate positive community

Mobility

A competitive, safer alternative to the private automobile for every trip

Public Realm

A public realm for the entire region that is delightful and vibrant year round

Buildings

A built environment that is more flexible, sustainable and affordable

Community + Social Infrastructure

A close-knit, healthy community with seamless access to vital daily services

Housing Affordability

Inclusive, affordable housing for people of all ages, abilities and means

Digital Platform

Open digital infrastructure that inspire innovation

Privacy + Data Governance

A new standard for transparent, accountable, and responsible data use

Sustainability

- **Low Load Buildings**
 - All buildings will be designed to low load outcome-based energy target inspired by the Passive House standard, with dynamic energy performance targets.
- **Flexible Thermal Grid**
 - Utilize waste heat and geothermal resources to offset use of fossil fuels for heating, leveraging an innovative ambient temperature thermal energy loop.
- **Advanced Electrical Grid**
 - A neighbourhood-level smart grid with rooftop solar PV, EV supercharging, and enhanced operator visibility integrated with the city-wide electrical grid.
- **Solid Waste Management**
 - Enable a local circular economy with 90% solid waste diversion from landfill, enabled through Pay-As-You-Throw (PAYT) enhanced sorting.

Mobility

- **Streets for People**
 - A focus on designing streets that are attractive places to be and to maximize pedestrian safety and comfort
- **Adaptability/Dynamic Curbs**
 - A curb that shifts based on daily demand to optimize space and that evolves over time as new transportation trends emerge
- **Shared and Electric Mobility**
 - Shared and shared electric mobility options (e.g. electric bike share) for short trips and to improve connections to rapid transit
- **Cycling**
 - Building cycling infrastructure to accommodate a diverse range of cyclists, and introducing strategies for improved safety and user comfort.

Public Realm

- **Stoa: Ground Floor Activation**
 - A highly flexible indoor/outdoor public realm that advances new approaches to streets and ground floor animation
- **Climate Mitigation**
 - Create flexible infrastructure that keeps the public realm vibrant ~18 hrs/day and usable year round
- **Expanding Public Realm**
 - Creating more public space and re-balancing the priority for pedestrians, bikes and transit.
- **Paving Innovations**
 - Modular, dynamic and innovative paving materials to create a safer, more efficient and adaptable public realm.

Buildings

- **Tall Timber**
 - New timber technologies create the opportunity to advance sustainable materials in construction, that can improve design flexibility, affordability, and leverage the Canadian timber industry
- **Flexible Building Typologies**
 - Create structures that are more responsive to the needs of its users over time. Using modular and prefabricated construction, smarter material and technology to enable a building's uses to change as users do
- **Radical Mixed Use**
 - Leveraging technology and performance based code to make the use and mix of space more efficient
- **Sustainability + Wellness**
 - Build at the highest sustainability standard which positively impacts the environment, lowers cost of utilities, and improves the occupants' well-being

Community + Social Infrastructure

→ Physical Hubs

- **Care Hall:** the anchor of the health and human services strategy, the Care Hall is a set of co-located service providers
- **Opportunity Hub:** the anchor of the learning and career opportunities strategy, the Opportunity Hub could include a primary school, child care centre as well as complimentary learning and employment services
- **Civic Assembly:** the anchor of the civic life strategy, a community gathering place for digital literacy, community input, and feedback.

→ Workforce Employment Strategy

- Programs to assist unemployed and underemployed as well as provide skill upgrading for emerging high demand careers

→ Digital Supports

- Digital tools to support coordination of services and facilitate neighbourhood activities

Housing Affordability

→ Purpose Built Rental

- Commitment to create a significant supply of purpose-built rental units to serve a spectrum of incomes

→ Housing Typologies

- Pilot new housing typologies that combines smaller living space with shared communal facilities and operations model, ideally applicable to singles, families, and seniors

→ Non-profit Collaboration

- New collaborative model to foster partnerships with nonprofit housing and supportive housing providers in Toronto to deliver deep affordability

→ Shared Equity Models

- A housing model that reduces the barriers to homeownership, with emphasis on middle income households, allowing end users to buy a percentage of a unit and rent the balance from a non-profit housing provider

Foundational Initiatives



Digital Platform

- Ubiquitous Connectivity
 - WiFi
 - 5G
- Koala Mounts
 - Universal mounting technology for sensors

Privacy + Data Governance

- Privacy by Design
 - De-identification of personal information
- Civic Data Trust

Policy Review Listing

SWL has provided an early draft of Policies that may have to be considered as a result of the MIDP

Pillar	Municipal	Provincial	Federal
Public Realm	Urban Design Guidelines	Planning Act	Navigation Protection Act (Federal)
	City of Toronto Act	Land Use Compatibility D- 6 Guidelines (Provincial)	Canadian Environmental Protection Act
	City of Toronto Municipal Code Chapter 162	Ontario Building Code	Fisheries Act, 1985
	City of Toronto Noise By-law		Navigation Protection Act Small Vessel Regulations
	City of Toronto Pavement Structural Design Guideline		Canada Shipping Act, 2001
	City of Toronto Lane Widths Guideline		
	City of Toronto Development Infrastructure Policy and Standards		
Mobility	Chapter 546 of the Municipal Code	Highway Traffic Act	Motor Vehicle Safety Act and Motor Vehicle Safety Regulations
	City of Toronto Act	O. Reg. 306/15 Pilot Project – Automated Vehicles	
		Compulsory Automobile Insurance Act	
Sustainability	Zoning By-law	Planning Act	Canadian Environmental Protection Act
	Green Roof By-law (Municipal Code Chapter 492)	Environmental Noise Guideline NPC-300	
	City of Toronto Wet Weather Management Guidelines	OEB Act	
		Electricity Act	
		OEB Distribution System Code	
		Ontario Building Code	
		Ontario Water Resources Act	
Buildings	City of Toronto Zoning By-laws 1049-2006 and 1174-2010.	Green Energy Act, 2009	
	City Noise By-law – Toronto Municipal Code Chapter 591	Ontario Building Code	
Community		Retirement Homes Act, 2010	Canada Health Act
		Health Care Accessibility Act	
		Commitment to the Future of Medicare Act, 2004	
		Independent Health Facilities Act	
Digital Infrastructure			Telecommunications Act (Telecom Act).
			Radiocom Act, Section 4(1).
			Conditions of Licence for Mandatory Roaming and Antenna Tower and Site Sharing and to Prohibit Exclusive Site Arrangements

Policy Review: Example

Regulation	Proposed Innovation Examples	Purpose of Regulation Amendments
Ontario Building Code	Tall Timber: construction for 30 storeys	Current Ontario Building Code, imposes height limit of 6 storeys on buildings using timber construction. Will require amendment to code.
	Movable Partition Walls	Re-locating partitions requires building permits, whether for load-bearing walls or otherwise. Building Code requirements include health and safety provisions, such as fire prevention and requirements for natural light to bedrooms.
	Electric power and fire sprinkling systems	Same as above.
	Outcome Based Code (or an alternative to traditional Zoning Regulations)	

Regulation	Proposed Innovation Examples	Purpose of Regulation Amendments
The City of Toronto Act	Programmable Streets	Current City permitting processes requires significant notice and application timelines to permanently close roads or to temporarily close or occupy lanes, and the length of closures are time limited.

Policy Review: Example

Regulation	Proposed Innovation Examples	Purpose of Regulation Amendments
The Planning Act	Parkland Dedication	
	Public Realm: Ownership	<p>Pursuant to ss.42 and 51 of the <i>Planning Act</i>, the standard City process is to obtain ownership of City parks and to manage and maintain these parks.</p> <p>In addition to City owned parks, the City enters into agreements with private owners to establish POPS throughout the City which are established and governed in accordance with a set of Council adopted Guidelines.</p>
	Public Realm Management and Maintenance	Same as above.

Regulation	Proposed Innovation Examples	Purpose of Regulation Amendments
Zoning By Law	Malleable Parks and Plazas	Current City permitting processes require long notice and application timelines to permanently close roads or to temporarily close or occupy lanes and the length of closures are time limited.
	The Stoa	Note above concerns regarding ownership management, maintenance and access.
	Animated Passages	Note above concerns regarding ownership management, maintenance and access.
	Outdoor Comfort Toolkit	

Approach to Evaluating the MIDP

Evaluation Framework

WT MIDP Evaluation Framework:

- Robust evaluation process that will demonstrate that the MIDP meets our goals and objectives, including considering the development plans and pro forma analysis.
- Supported by a Peer Review that will offer a 3rd party assessment across the entire scope of the MIDP

Comprised of:

1.Goals and Objectives

Qualitative and Quantitative Measures

2.Development Plans

Qualitative Measure

3.Pro-Forma

Quantitative Measure

4.Peer Review

3rd party verification



Evaluation Framework

- Integral to the evaluation of the MIDP
- Gives confidence to the Board, Governments and community on evaluation of MIDP
- Projected Completion **November 2018**

Waterfront Toronto Goals and Objectives

Summary – WT Goals and Objectives

Implementation Requirements “Must Do’s”

Five “must do’s” to be adhered to through the MIDP phase and into development/execution

1. Public Consultation Protocol
2. Data Governance and Privacy
3. Design Excellence
4. Local Developer Engagement
5. Partnership Model

Pillar Objective “Must Haves”

Out of these desired outcomes, five “**must haves**” have been identified as priorities for WT with respect to the success of the MIDP

1. Job Creation
2. Climate Positive
3. Housing Affordability
4. New Mobility
5. Innovations (To be further developed)

Pillar Objectives

Detailed objectives reflecting Waterfront’s **desired outcomes** for the MIDP broken down in eight categories.

1. Economic Development
2. Affordable Housing
3. Digital Platform
4. Sustainability
5. Mobility
6. Public Realm
7. Buildings
8. Community Services

Process to Develop – WT Goals and Objectives

Developed through a robust and thoughtful five step process. WT has linked **Corporate Objectives, RFP Objectives, key Government Policy Objectives, and detailed WT Pillar Priorities**, culminating in a list of MIDP Goals and Objectives that have been refined and enhanced through a due diligence process with ARUP.

- WT Corporate Objectives
- RFP Objectives
- Government Policy & Strategy Review
- WT Pillar Priorities
- Arup Due Diligence and Metrics work



MIDP Goals and Objectives

- Forms a key element of the Evaluation Framework
- Reinforces WT as steward and revitalization lead
- WT defines the “what”, and SWL derives the “how”

WT took a thoughtful and reasoned approach in developing these objectives, focusing on identifying priority outcomes - rather than preferred tactics to achieve said outcomes - with as few prescriptive requirements as possible.

WT Goals and Objectives: MIDP Implementation Requirements “Must Do’s”

MIDP Implementation Requirements (“Must Do’s”)



Implementation Requirement 1

Public Engagement (1/2)

1. Meet the public consultation requirements of all the regulatory regimes in which Waterfront Toronto operates. This includes:

- Federal and Provincial environmental assessment processes, and
- the municipal land use policy approval process.

2. Articulate an engagement plan that extends beyond formality or the legislated requirement to consult. A plan that demonstrates accountability, transparency and capacity building, and that will result in informed and meaningful input to further strengthen plans throughout the planning, approval and implementation phases.

- Articulate engagement principles that will inform the plan.
- Define approach for proactive and ongoing opportunities to listen and learn in order to inform and strengthen decision-making, as well as to address concerns.
- Commitment to capacity building to ensure the community is equipped to engage meaningfully, especially on novel and complex issues..
- Incorporate report back mechanisms to communicate how the public's input affected decision-making and the work being completed.
- Ensure meaningful engagement with MNCFN and urban Indigenous communities

Continued on next slide...

MIDP Implementation Requirements (“Must Do’s”)



Implementation Requirement 1

Public Engagement (2/2)

3. Working in service of the public good, create a plan to engage the community to ensure and demonstrate ongoing satisfaction with living/working/visiting in Quayside

- Establish forum(s) to identify, mitigate and respond to issues and concerns related to construction and implementation.
- Strategy to address and resolve questions, concerns or issues during steady-state operations.
- Ensure all residents have equal access to information and participation (inclusive and accessible).
- Commitment to ongoing capacity building or education to ensure awareness and understanding of the novelties, benefits and perceived risks of this new neighbourhood.
- Establish an approach for evaluating and improving effectiveness of communications and engagement.

Implementation Requirement 2

Data Privacy & Governance

Commitment with respect to the following:

1. Compliance with all applicable laws, regulations, policy documents and contractual obligations (including those dealing with personal privacy, data localization and intellectual property).
2. Creation of project specific policies and protocols that effectively define a new global standard in data governance
3. All technologies deployed and solutions provided for the project will be done in an ethical manner.
4. Solutions and data sets will be guided by the principle of making the solutions open by default where feasible and appropriate.
5. Solutions and data sets will consider and have provisions that address data sovereignty, where applicable and feasible
6. Commitment to not share data with third parties, including other Alphabet companies, without the express knowledge and consent of the appropriate regulators and users as appropriate.

MIDP Implementation Requirements (“Must Do’s”)



Implementation Requirement 4

Local Developer Engagement

- Demonstrate a strategy to promote and encourage the involvement of the **local development community**

Implementation Requirement 3

Design Excellence

- Commitment to **Design Excellence** and the **Design Review Panel** process throughout the implementation
- Demonstrate a strategy to incorporate an open RFP / design competition for key iconic buildings and public realm

Implementation Requirement 5

Partnership Model

- Provide an appropriate revenue sharing model across real estate, infrastructure, and intellectual property that benefits the public sector

WT Goals and Objectives: Pillar Targets and Desired Outcomes

WT Targets

Job Creation and Economic Development

1. Job Creation

- **Catalyze economic growth** for the City, the Province and all of Canada
- **Create an innovation district** and testbed on Toronto's waterfront that includes Google's Canadian headquarters and an Urban Innovation Institute.
- **Grow new industries** in Toronto, Ontario, and throughout Canada.
- **Partner with Canadian firms** to support local economic development.
- **Bolster the local technology ecosystem** through procurement practices that encourage participation from local firms
- **Ensure alignment with existing industries** and economic drivers in Toronto.
- **Grow jobs across the socioeconomic spectrum** and in a variety of industries.
- **Create training and employment opportunities for members of historically disadvantaged and equity-seeking groups.**

2. Economic Impact

- Commit to measurable economic impact indicators that **demonstrate an impact on the cost of living/affordability of the neighbourhood, return on investment, and job creation**, which will be monitored and reported on at least an annual basis

WT Targets

Housing Affordability



1. Affordable Housing Funding Mechanism and Minimum Requirements

Create mechanisms to **develop Affordable Housing with private sector participation and with minimal reliance on public sector capital funding** to deliver the following:

- Exceed the Waterfront Toronto Affordable Housing minimum requirement, in perpetuity.
- Ensure sufficient purpose built rental housing as "Moderate Rental" middle income affordable housing (100-150% AMR).
- Provision of market ownership units which allows access to housing to all income groups.

2. Mixed Buildings

Demonstrate a variety of housing types, tenures, and units within mixed-income buildings.

Consistent with TO Core policies meet the minimum 2 and 3 bedrooms requirements:

- A minimum of 15% of the total number of units as 2-bedroom
- A minimum of 10% of the total number of units as 3-bedroom of
- An additional 15% of the total number of units will be a combination of 2-bedroom and 3-bedroom units

3. Construction Efficiency Cost Savings

Ensure that the cost savings will be transferred to the consumer/purchaser and contribute to housing affordability.

WT Targets

Digital Platform



1. Open By Default

Systems and platforms are designed to be open by default - minimal proprietary architecture to be deployed, as disclosed and demonstrated as necessary, in order to foster innovation, promote competition, create freedom of consumer choice.

- The core platform consists of independent components that conform to open standards
- Open APIs (Application Program Interface)
- Non-proprietary architectures leveraged to the greatest extent possible
- Data collected is shared with government open data catalogues/portals on a free/portals on a free/non-exclusive use

2. Data and Tech Sovereignty

- Protocols, standards and operating agreements do not foster monopolies, barriers to entry or lock-in to a specific vendor
- Data independence - The data associated with solutions can be extracted for use with other solutions in the event that there is a need to move to a different platform/solution.
- Granular policies regarding data sovereignty and routing (informed by legislative requirements, global best practices and project objectives (eg. potential research and development exemptions, support escalation requirements, etc.))
- Jurisdictional localization and equivalent protection provisions consistent with Canadian data protection laws will be incorporated
- Public transparency on routing and localization issues
- Data will be stored in Canada as a first principle, unless there is a documented reason, beyond business case/finance, that precludes the data from remaining here.

WT Targets

Sustainability

**1. Climate Positive**

Enable the development of neighborhoods with below-zero annual greenhouse gas emissions at full build-out, as defined by the C40 Climate Positive Framework.

1. Identify or contribute financial resources to support climate positive buildings and district level solutions.
2. Prepare a draft of a WT C40 Climate Positive Roadmap.

2. Exemplary Building Standards

Design buildings that will be the model for a new building standard that supports Waterfront Toronto's climate positive aspirations.

1. Assist with refining and updating WT Minimum Green Building Requirements.
2. Align with or exceed highest tier of most recent Toronto Green Standard.

3. Sustainable Mobility

Create the infrastructure and policies that enable people to replace carbon emitting vehicles with electric vehicles in order to achieve zero emissions and climate positive targets.

4. Affordable Utilities

Develop a system that incentivizes energy and water conservation and solid waste reduction while ensuring levels of affordability comparable to the average cost of utilities in Toronto, to people of all income levels and all stages of life.

5. Circular Economy

Accelerate a local transition towards a circular economy that establishes a pathway to zero operational waste, with 70% diversion of operational waste at occupancy and significantly reduced demolition and construction waste compared to traditional developments.

6. Resilient Infrastructure

Addressing the Resilient TO initiative through action planning and better preparing buildings and infrastructure to survive and thrive in response to a changing climate and in emergencies.

1. New Mobility

- **Leverage potential benefits of AVs** and new mobility to reduce the amount of right-of-way dedicated to automobiles over time and reallocate this space to public realm or the best alternative land use.
- Create the infrastructure and policies that **enable people to replace carbon emitting vehicles with electric vehicles** in order to achieve zero emissions and climate positive targets.
- Leverage new mobility to **improve connections to the city's rapid transit network** and alleviate first/last mile challenges.
- Reduce the cost and climate impact of the transportation of goods.
- Reduce the average cost of convenient transportation for average user.
- Regulation of new mobility services should protect the public's interest and infrastructure investment by contributing to, rather than inhibiting, a more efficient transportation system.
- Establish open-data protocols for sharing and compatibility of mobility data to improve end user experience and protect privacy.

2. Walkability

- **Develop and deploy a high quality dynamic street network** which balances the right of way over time, accommodates all modes appropriately, and creates an inviting pedestrian experience
- All new street designs and mobility technologies should align with the City's Vision Zero design guidelines to **facilitate its goal of zero traffic-related fatalities**.

3. Active Transportation

Reduce the barriers to cycling by filling network gaps, building cycling infrastructure to accommodate a diverse range of cyclists, and introducing strategies for improved safety and user comfort, including through the expansion of the Bike Share Toronto network.

4. Transit

- **Connect to, and enhance the existing citywide mass transit network** by improving access to transit via walking, cycling, electric modes and shared mobility.
- Waterfront Toronto, in partnership with Sidewalk Labs, **deliver an innovative funding strategy** for the currently approved LRT service that helps realize its construction, in a phased approach, prior to full site occupancy. Funding should be comprised of a hybrid of public and private funding, and the infrastructure should be delivered, owned and operated by a public entity.

5. Network Management

- **Significantly increase the share of trips completed by mass transit, walking, cycling or electric shared mobility.**
- Explore options for deploying network management tools to **maximize the utility of transit infrastructure and manage the dynamic capabilities of the mobility system** with privatization of infrastructure only where demonstrated to be the best alternative.
- **Test new mobility pricing models**, including dynamic road/curb pricing and off-site parking to encourage more sustainable transportation choices among users

WT Targets

Public Realm (1/2)



1. Quality of Place

- Target **high quality designers** for all aspects of the public realm
- Create a **replicable system for outdoor comfort** which doubles the amount of time in the shoulder season that meets the definition of human comfort.
- Provide a **diversity of amenities and programming opportunities.**
- Create a public realm plan which **achieves a majority of stakeholder and public support**

2. Public Access/Ownership

- Enable the development of a **public open space system is 100% publicly accessible.**
- All dedicated **Park land must remain in public ownership.**
- Designing public realm and associated amenities to be **accessible for users of all abilities** in compliance with AODA.

3. Activation

- Deliver an amount of public space that totals **30% of the overall site area** including public parks and privately owned publicly accessible spaces.
- Fund the delivery of a **high quality of public space** i.e. above base park and equal to or better than the Waterfront Standard premium for all public space (\$1,800/m²)
- **New models of public realm financing.** governance and management should be developed.
- Provide a plan that will deliver an **animated and diverse ground floor, public realm**, and interface between the two that will remain activated all four seasons.
- Provide a plan that prioritizes **access to the lake** and delivers animation in the Parliament Slip.

WT Targets

Public Realm (2/2)



4. Urban Ecology

- Enhance urban ecology through **growth of the urban tree canopy**, use of LID systems, and creating habitat and opportunities for pollination, exceeding local and national environmental policies and demonstrate using a Biodiversity Action Plan.
- Planting strategy to achieve a **tree canopy coverage of 40%** across public space at maturity.
- Establish a planting detail, that is replicable beyond Quayside that **targets a 90% survival rate of all new street trees**.
- Utilizing **natural systems to manage stormwater** and reduce runoff where appropriate. Exceed Ministry standards for stormwater management
- **Meet or exceed the city's green streets guidelines** for public realm spaces in the public right of way

5. Maintenance

- Propose a mechanism by which a higher level of maintenance of publicly dedicated **Parks and Public Realm can be delivered at no additional cost to the City above their average.**

WT Targets

Buildings



1. Health and Wellness

- Ensure building design and materials used not only embody less energy, but **improve the health and well-being of the occupants.**
- **Provide for human and nature interactions** in both the interior and exterior of buildings so the majority of occupants are connected with nature directly.
- Ensure buildings meets the intended performance of **Daylighting Fenestration and Indoor Biophilia** of the WELL certification criteria for buildings

2. Flexible Buildings

- Flexible spaces that enable an **adaptable mix of buildings and uses**, helping a complete community meet changing needs of affordable housing options and vibrant amenities.
- Provide a set of design guidelines ensuring a high level of adaptable and flexible spaces that **allow for more than a singular type of use within the podium.**
- Provide a plan that will deliver an **animated and diverse ground floor, public realm**, and interface between the two that will remain activated all four seasons.
- Develop and demonstrate building designs that allow for and **support a variety of housing types, tenures, and mixed income units**

3. Construction Methodologies

- Employ new construction methodologies that ensures a solid financial foundation, manages financial risk and **secures revenue that funds future phases of waterfront revitalization.**
- Ensure building design and materials developed at Quayside does not compromise design flexibility in the future and **promotes innovations in the Canadian construction industry.**

Community Services



1. Inclusive Communities

- Include a commitment to **incorporating principles of diversity, equity and inclusion** across all facets of the Sidewalk Toronto project so that residents, workers and visitors can access services and opportunities (both digital and physical) regardless of age, physical or mental ability, ethnicity, gender, sexual orientation, religious / spiritual beliefs, immigrant and newcomer status
- Ensure that all development plans **align with the Downtown Community Services & Facilities Strategy** by incorporating its principles in order to plan for and support the necessary community services and facilities across all sectors identified.

2. Workforce Development Strategy

- Ensure at minimum **10% of workforce across the lifespan of the project are hired under the WTEI program** (including subcontract work, retail opportunities, etc.)
- Create a plan and demonstrate how you will create opportunities in the following areas: **apprenticeships, internships, youth engagement, job shadowing, mentorship programs, social procurement.**
- Create/fund a **sustainable training program under the WTEI that focuses on emerging technologies.**

**Pages 66 to 67
are withheld
pursuant to paragraphs
20(1)(b), 20(1)(c) and 20(1)(d)
of the *Access to Information Act***

**Les pages 66 à 67
Font l'objet d'une exception totale
conformément aux dispositions des
paragraphes
20(1)(b), 20(1)(c) et 20(1)(d)
de la loi sur l'accès à l'information**



MEMORANDUM

To: IGSC

From: Kristina Verner

Date: November 5, 2018

Re: **Update on Digital Governance Issues on Quayside Project**

Over the course of the past six weeks there has been significant media attention relating to the potential digital governance issues that may be factors in the Quayside project. These criticisms essentially relate to four main areas of concern:

1. Privacy
2. Data Residency
3. Data Ownership & Intellectual Property
4. Policy Frameworks

On October 18, 2018 Sidewalk Labs presented their initial proposal regarding digital matters to the Waterfront Toronto Digital Strategy Advisory Council (DSAP). In the proposal, they outlined high-level concepts including the notion of a civic data trust and their ongoing commitment to Privacy by Design.

The DSAP engaged in a thoughtful dialogue with Sidewalk Labs to better understand key elements of their proposal. There has been a subsequent series of detailed questions issued to Sidewalk Labs, which will be the basis of their deputation at the December meeting of the DSAP.

We have engaged additional resources, outlined below, and have discussed emerging concerns with vocal critics, including Bianca Wylie and Jim Balsillie, and are committed to an ongoing dialogue. In addition, we have open lines of communication with Ann Cavoukian regarding her concerns.

Moving forward Waterfront Toronto will lead the next stage of the conversation on these matters to ensure a comprehensive community consultation process and thoughtful consideration of proposals which may come to the Corporation in the MIDP.

With regard to the four key areas of concern identified above, Waterfront Toronto has, or will, undertake the following:

1. Privacy

The Corporation has taken the position that all solutions proposed must meet or exceed the prevailing regulatory and legislative environment applicable. We are aware of the current work being undertaken at various levels of government and want to ensure alignment of our positioning.

External Support: Chantal Bernier & George Takach

2. Data Residency

There is an emerging sense from the DSAP that a requirement for data localization be formalized, that would include provisions to permit fully justified exemptions, where the need for such an exception is transparent to the public. This will be discussed more fully at the December DSAP meeting.

External Support: Chantal Bernier & George Takach

3. Data Ownership & Intellectual Property

Data Ownership - Through their proposal, Sidewalk Labs has made it clear that they do not intend to own data generated through this project. They have recommended a form of Civic Data Trust as the neutral holder of the data and oversight body. There are a number of aspects that need to be explored in this element of their proposal. To help us work through a discovery process on data trusts, we have enlisted MaRS Solutions Lab to conduct a global scan of best practices and convene a discussion on what attributes a smart city data trust may need to have, including the scale, technology, governance and funding requirements. This work will be starting in mid-November through a series of subject matter interviews and a formal workshop.

External Support: MaRS Solutions Lab, Chantal Bernier & George Takach

Intellectual Property - While we are still working through the potential business model with Sidewalk Labs, we are being guided by Schedule G of the Plan Development Agreement. To prepare for the more robust discussions that will begin to occur, we have augmented our advisory team from KPMG, adding [REDACTED]

[REDACTED] to the roster. George Takach remains our external legal lead on this element of the file.

External Support: George Takach, [REDACTED]

4. Policy Frameworks

The harshest of critics have implied that this project is progressing in a policy vacuum. It is essential that the public gain a better understanding of the existing policy frontier on the key digital governance issues facing smart city development, not just in the Quayside context, but also more broadly. Ongoing government engagement with Waterfront Toronto staff will be essential. Moreover, government participation at the upcoming community engagement activities is an important step to ensuring accurate information is being provided in a manner that is consistent with our government stakeholders and assuring the broader community of the governments' authority. This includes active participation in the Civic Labs, attendance at Round Table 4, Civic Data Trust workshops and continued attendance at the Digital Strategy Advisory Group Meetings.

External Support: Chantal Bernier & George Takach

**Pages 70 to 84
are withheld
pursuant to paragraph
20(1)(b)
of the *Access to Information Act***

**Les pages 70 à 84
Font l'objet d'une exception totale
conformément à la disposition de paragraphe
20(1)(b)
de la loi sur l'accès à l'information**

Quarterly Portfolio Dashboard - as of September 30th, 2018

Issued: November 2nd, 2018

PROGRAM STATUS



OVERALL STATUS



BUDGET STATUS



SCHEDULE STATUS

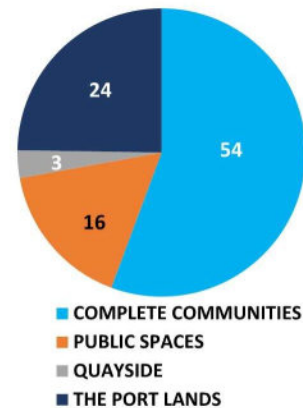
Q2 2018-2019 Update: Waterfront Toronto is currently tracking to deliver all of its projects on budget and is in compliance with its contractual obligations. Schedule risks are being closely monitored to ensure timely project delivery.

PROGRAM SUMMARY

Approved Investments by Priority Initiative (\$2.1B)



Number of Projects by Priority Initiative (97 projects)

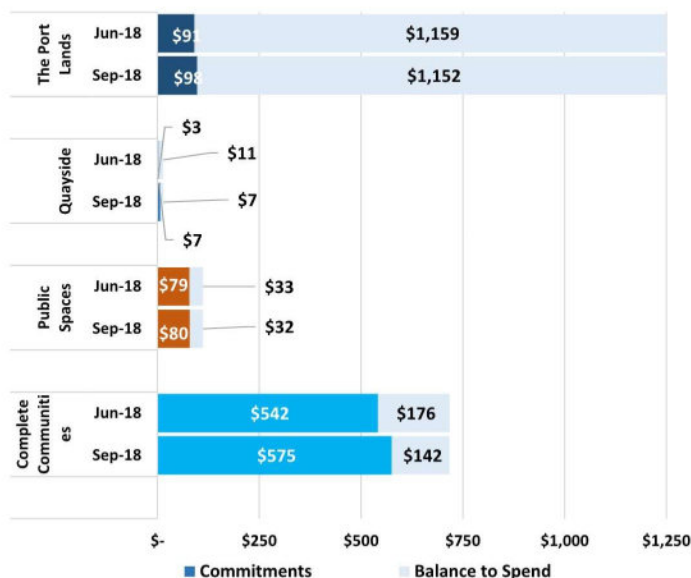


Expected Project Duration

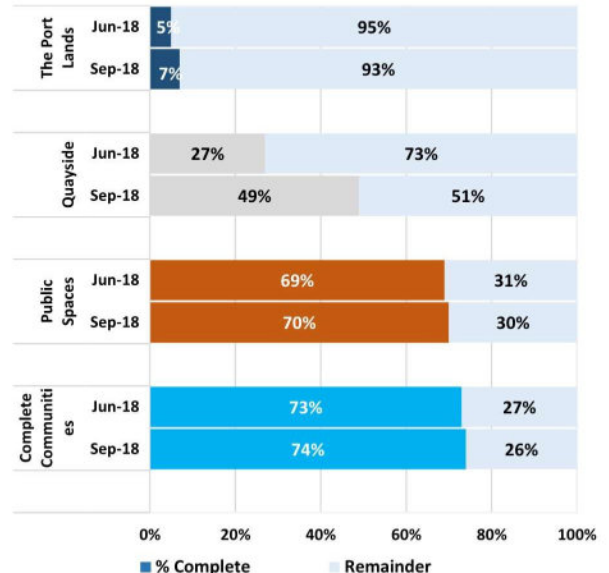
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
THE PORT LANDS											
COMPLETE COMMUNITIES											
PUBLIC SPACES											
QUAYSIDE											

PROGRAM IMPLEMENTATION INDICATORS

Commitments and Balance to Spend (\$M)



Project Completion

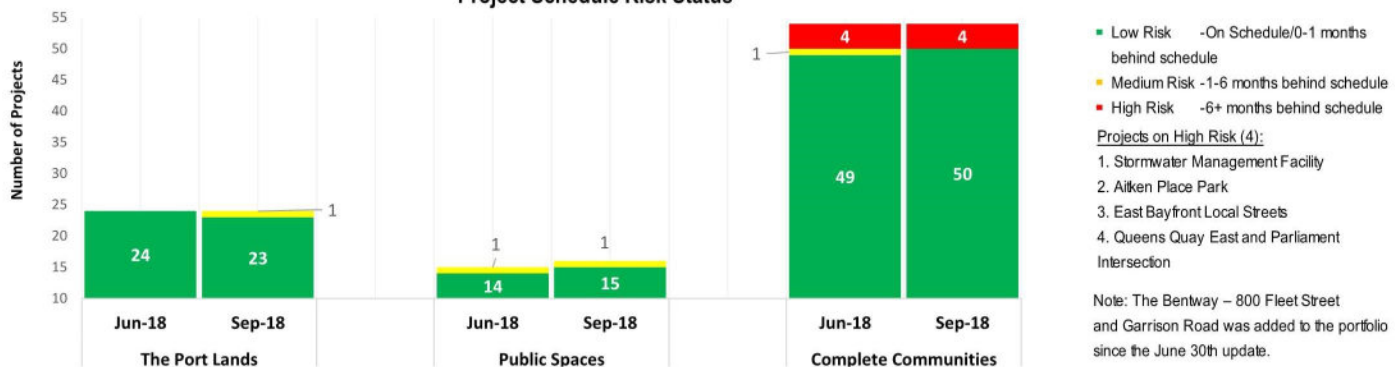


Quarterly Portfolio Dashboard - as of September 30th, 2018

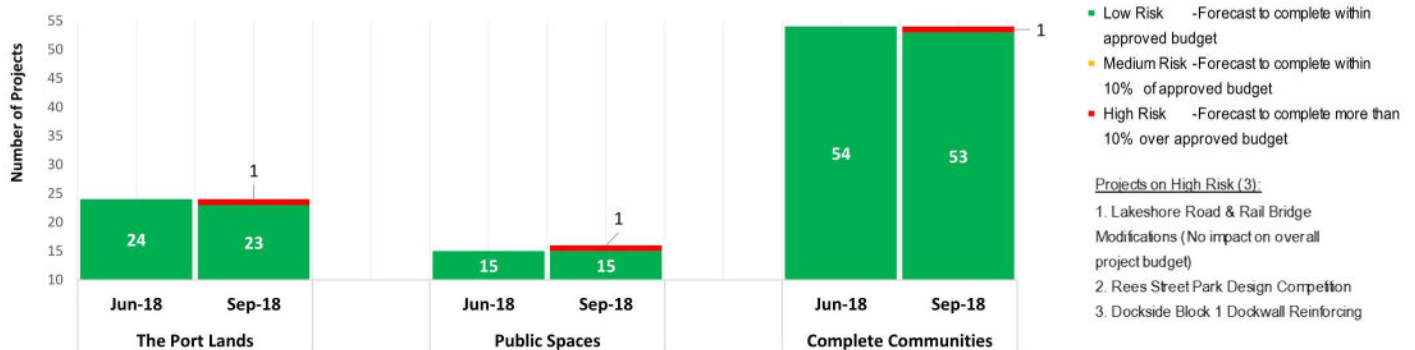
Issued: November 2nd, 2018

PROGRAM RISK STATUS

Project Schedule Risk Status



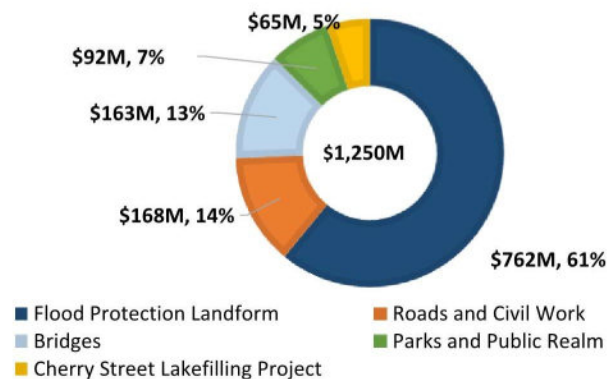
Project Budget Risk Status



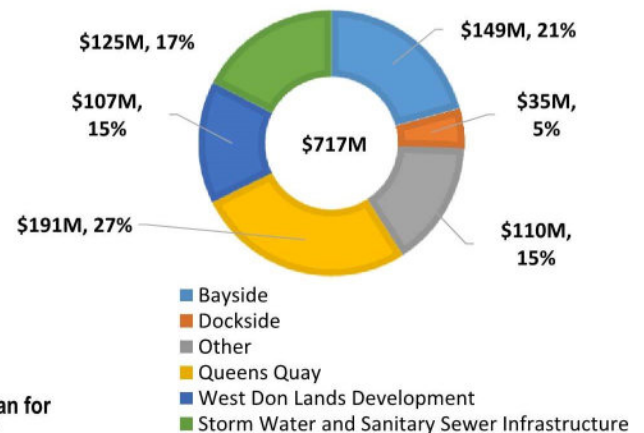
Note: Quayside project status update is included as part of Quayside Dashboard

INVESTMENT BY PRIORITY INITIATIVE

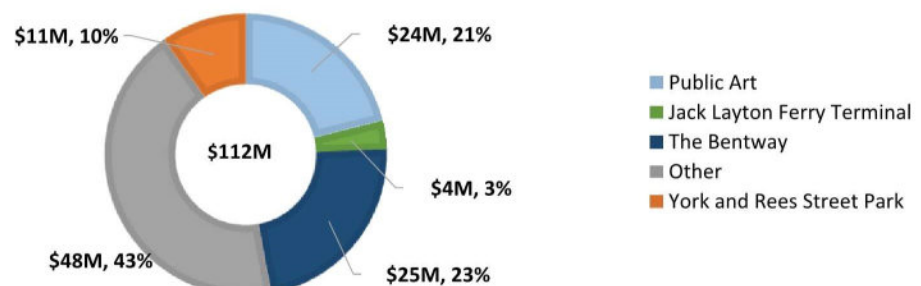
Approved Investment Plan for the Port Lands (\$M)



Approved Investment Plan for Complete Communities (\$M)



Approved Investment Plan for Public Spaces (\$M)



Note: Quayside project status update is included as part of Quayside Dashboard

**Pages 87 to 88
are withheld
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of the *Access to Information Act***

**Les pages 87 à 88
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20(1)(b)
de la loi sur l'accès à l'information**

CHERRY STREET STORMWATER AND LAKEFILLING PROJECT

Waterfront Toronto

THE PROJECT

The project is receiving \$32.5M (50% of project) from the Clean Water and Wastewater Fund (CWWF). Infrastructure Canada has yet to receive a claim for this project.

The project is creating new landmass by lakefilling around the Essroc Quay to stabilize the shoreline. The current dockwall is at risk of collapsing under flooding conditions so the infilling will aid in safely conveying increasing storm and flood waters. The project will improve water quality, optimize water and storm infrastructure, and create new naturalized open spaces and aquatic habitat. This will ultimately form part of Promontory Park - a component of the Port Lands Flood Protection project. Construction has started as of December 2017 and the expected completion date for this project is March 2019.

A dashboard developed by the Recipient, Waterfront Toronto (WT), outlining the Project components, budget and schedule has been provided in Annex A.

UPDATE:

As of September 30, 2018 construction for Cherry Street Lake filling is approximately 52% complete and progressing on track. Rock anchor installation for the dockwall at Cell 1 confinement is completed. Relocation of inner berm to the future Cherry Street ROW is also completed. Work that is ongoing:

- Preparatory works for the installation of underlayer stone over corestone;
- Awarding of the Hydroseeding, Tree Planting and Landscaping package;
- Installation of the cap beam formwork and rebar on completed combi-wall;
- Completion of Cells 2 and 3 lakefilling; and
- Commencement of lakefilling for Cell 1.

RISK:

A late start to the underlayer stone process has occurred due to late submission of a material sample and placement procedure approval. A mitigation plan is required to complete this component by April 2019. Further risk mitigation is required for the dockwall. Property for storage of fill materials has been acquired by WT and coordination of dredging along the Keating Channel by Toronto Port Authority while installation of dockwall anchors and underlaying stone placement are ongoing.

COMMUNICATIONS, PUBLIC AND STAKEHOLDER RELATIONS:

- Communications with the Mississaugas of Scugog Island First Nation have been initiated;
- Communications with the Mississaugas of New Credit First Nation continue; and
- The new website (www.PortLandsTO.ca) is now live and includes up-to-date information about construction.

Included is the Cherry Street Dashboard provided to Infrastructure Canada by Waterfront Toronto.

PLFP Monthly Program Dashboard - as of September 30th, 2018

Issued: November 2nd, 2018

PROGRAM SUMMARY

CUMULATIVE STATUS 

BUDGET STATUS 

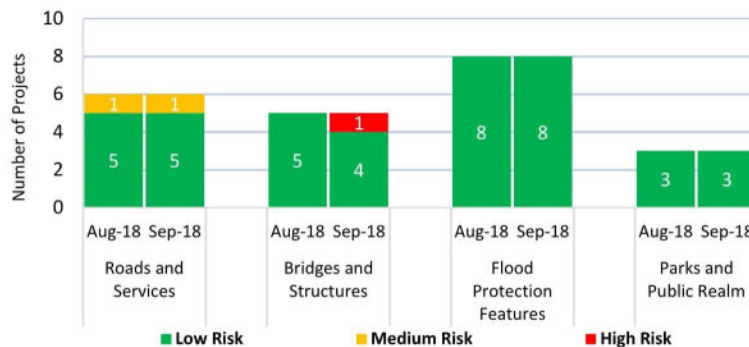
SCHEDULE STATUS 

Q2 2018-19 UPDATE:

Waterfront Toronto is tracking the progress of the Port Lands Flood Protection (PLFP) Program and is proceeding in accordance with the contractual budget and schedule obligations. Schedule and budget risks are being closely monitored to ensure program delivery.

PROGRAM RISK STATUS

Program Risk - by Segment



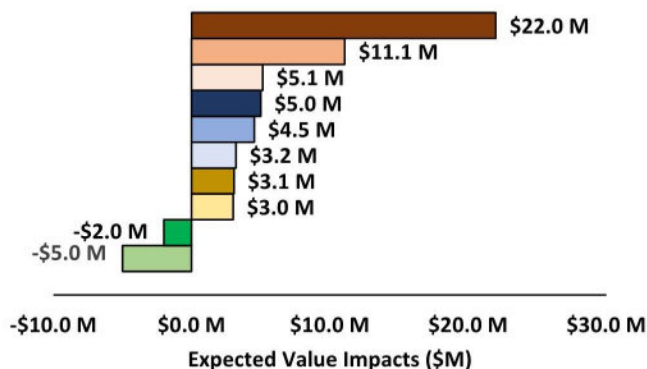
■ Low Risk	- On Schedule/0-1 months behind schedule - Forecast to complete within approved budget
■ Medium Risk	- 1-6 months behind schedule - Forecast to complete within 10% of approved budget
■ High Risk	- 6+ months behind schedule - Forecast to complete more than 10% over approved budget

Note: Flood Protection Features Program excludes East Harbour Flood Protection Landform project.

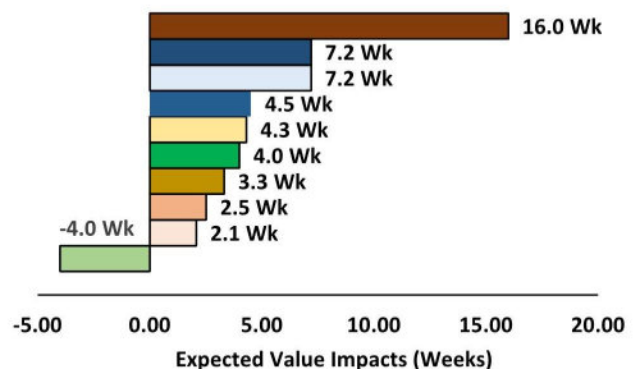
Project Name	Budget	Schedule
Commissioners St. West to New Cherry St.		
Commissioners St. East to Saulter St.		
Cherry Street Re-alignment		
Don Roadway North		
Hydro One Integration		
Site Wide Municipal Infrastructure		
Roads and Services		
Cherry Keating-Cherry Street Bridge North		
Cherry Polson-Cherry Street Bridge South		
Commissioners Street Bridge		
Old Cherry St Bridge Demolition		
Lakeshore Road & Rail Bridge Modifications		
Bridges and Structures		
River Valley System & Don Greenway		
Keating Channel Modifications		
Polson Slip North Side Naturalization		
Don Roadway Valley Wall Feature		
Eastern Avenue Flood Protection		
Flow Control Weirs		
Sediment and Debris Management Area		
Villiers Island Grading		
Flood Protection Features		
River Park North		
River Park South		
Promontory Park South		
Parks and Public Realm		
Cumulative		

KEY RISKS & IMPACTS

Top Risks Impacting Project Cost
(Based on Preliminary 30% Design)



Top Risks Impacting Project Schedule
(Based on Preliminary 30% Design)



- Gardiner Underpinning
- Deep Soil Mixing (DSM)
- External Market Forces In Excess of Cost Escalation
- TPLC Studio Temporary Accommodation
- Sediment Management Technology Alternatives
- Sediment Management Operations Equipment
- Risk Aggregate below Threshold
- Temporary Utility Relocation to Maintain Access
- Opp: Optimize Planting Soils
- Opp: Gardiner Ramp Demolition

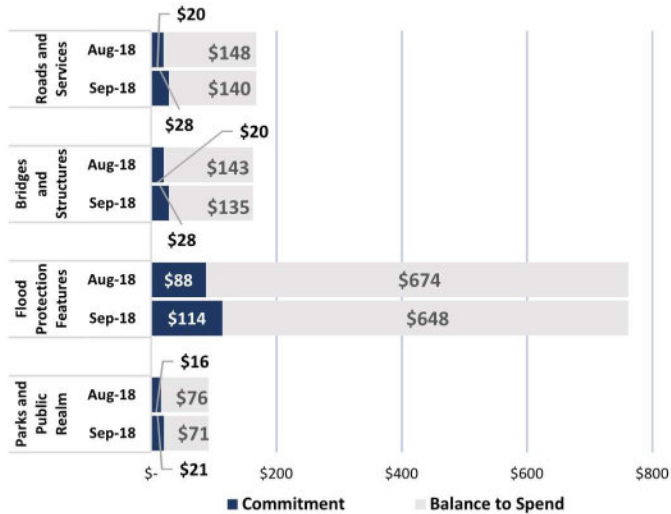
- Coordination with Non-Hydro Utilities
- Aggressive Design Schedule
- De-watering Effluent Discharge
- Sub-grade Excavation and Backfill at Polson Slip
- Health & Safety - Worker PPE
- Deep Soil Mixing (DSM)
- TTC Bridge Design Approval
- Substantial Failure to Establish Plantings
- Environmental Basis for Cherry St. Design
- Opp: Fisheries Timing Window Optimization

PLFP Monthly Program Dashboard - as of September 30th, 2018

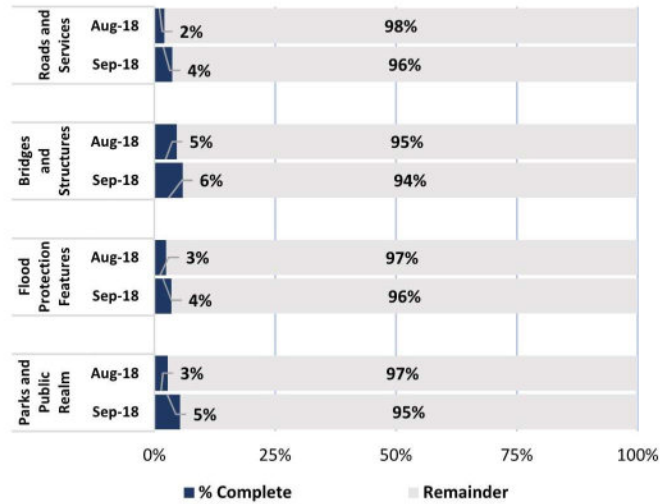
Issued: November 2nd, 2018

PROGRAM BUDGET STATUS

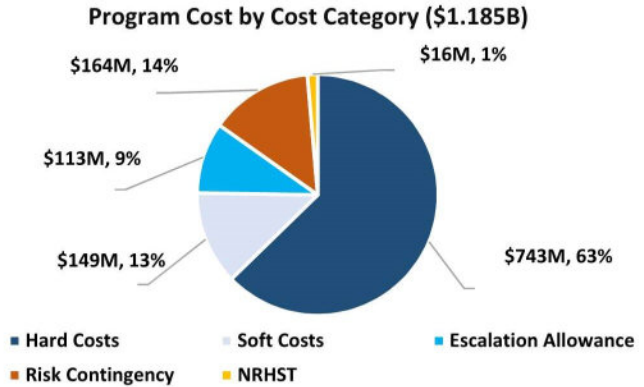
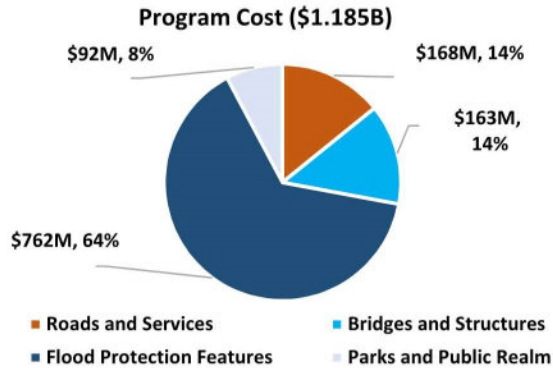
Commitments and Balance to Complete (\$M)



Program Progress - by Segment



PROGRAM BUDGET ALLOCATION



FINANCIAL SUMMARY

Figures in Millions

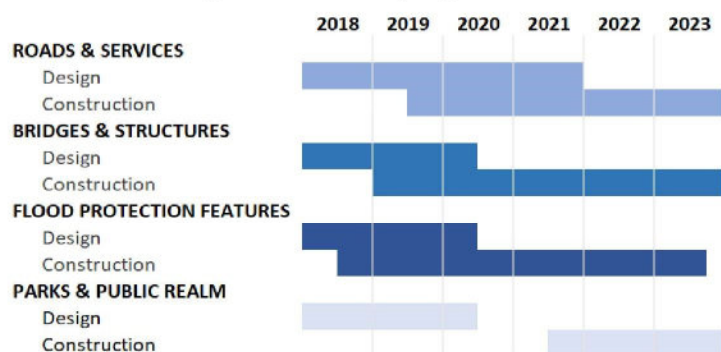
Segment	Project Name	Approved Budget	Total Commitments	Estimate to Complete	Estimate At Completion	Variance to Budget	Costs Incurred to Date	% Complete to Date
Roads and Services	Commissioners St. West to New Cherry St.	\$ 18.00	\$ 3.89	\$ 14.11	\$ 18.00	\$ -	\$ 0.65	3.63%
	Commissioners St. East to Sauter St.	7.00	1.11	5.89	7.00	-	0.28	3.95%
	Cherry Street Re-alignment (North & South of Keating)	22.00	7.05	14.95	22.00	-	1.99	9.04%
	Don Roadway North	7.00	1.88	5.12	7.00	-	0.46	6.52%
	Hydro One Integration	12.00	1.83	10.17	12.00	-	0.28	2.36%
Bridges and Structures	Site Wide Municipal Infrastructure	102.00	12.65	89.35	102.00	-	2.68	2.63%
	Cherry Keating-Cherry Street Bridge North	55.00	7.67	47.33	55.00	-	2.66	4.83%
	Cherry Polson-Cherry Street Bridge South	42.00	9.06	32.94	42.00	-	3.40	8.10%
	Commissioners Street Bridge/Don Roadway	43.00	7.68	35.32	43.00	-	2.49	5.80%
	Lakeshore Road & Rail Bridge Modifications	19.00	3.50	15.50	19.00	-	0.99	5.20%
Flood Protection Features	Old Cherry St. Bridge Demolition	4.00	0.49	3.51	4.00	-	0.13	3.19%
	River Valley System & Don Greenway	486.00	84.75	401.25	486.00	-	20.54	4.23%
	Keating Channel Modifications	35.00	3.04	31.96	35.00	-	0.76	2.16%
	Polson Slip North Side Naturalization	60.00	8.59	51.41	60.00	-	1.78	2.96%
	Don Roadway Valley Wall Feature	27.00	3.86	23.14	27.00	-	0.95	3.50%
	Eastern Avenue Flood Protection	5.00	0.63	4.37	5.00	-	0.17	3.40%
	East Harbour Flood Protection	5.00	-	5.00	5.00	-	0.00	0.00%
	Flow Control Weirs	38.00	3.25	34.75	38.00	-	0.67	1.77%
	Sediment and Debris Management Area	78.00	7.88	70.12	78.00	-	1.80	2.31%
	Villiers Island Grading	28.00	2.05	25.95	28.00	-	0.70	2.49%
Parks and Public Realm	River Park North	23.00	5.53	17.47	23.00	-	1.37	5.95%
	River Park South	27.00	5.72	21.28	27.00	-	1.37	5.07%
	Promontory Park South	42.00	9.52	32.48	42.00	-	2.22	5.29%
Cumulative		\$ 1,185.00	\$ 191.66	\$ 993.34	\$ 1,185.00	\$ -	\$ 48.32	4.08%

PLFP Monthly Program Dashboard - as of September 30th, 2018

Issued: November 2nd, 2018

PROGRAM SCHEDULE STATUS

Program Timeline - by Segment



Key Communications Milestones 2018-2019

Groundbreaking	December-18
Cherry Street Bridge North Begins	January-19
Public Meeting #3	March-19
Drop-In Centre Reopens	April-19
Excavation Begins	February-19
Commissioners Bridge Construction Start	August-19

PROGRAM PROGRESS - KEY TASKS

Key Tasks	September	October	November to January	February to April
<div> <div></div> To be Secured <div></div> Delayed From Last Report </div>				
Permits/Design Approvals to be Secured				
MOECP: Permit to Take Water (PTTW) - North of Keating Channel		✓		
TRCA: Permit (Cherry St Bridge N)			✓	
Transport Canada: Approval under Navigable Water Act - Bridges			✓	
MOECP: Approval of Excess Soil Management Plan			✓	
COT: Demolition Permit for Existing Buildings			✓	
MOECP: Environmental Compliance Approval for Soil Treatment			✓	
COT: Demolition Permit for Old Cherry St Bridge				✓
Ports Toronto: Harbour Master Authorization for Cherry St N Bridge and Demolition				✓
COT/ECS: Approval of 30% Roads Design		✓		
COT: Approval of 30% Bridges Design			✓	
Toronto Hydro: Approval of Street Lighting on Bridges			✓	
TRCA: Approval of Flood Model			✓	
TTC: Approval of Bridges Design				✓
Contracts to be Secured				
River Valley Area Laboratory and Testing			✓	
Don Greenway, Cherry St. North and Promontory Park: Pre Construction Surveys			✓	
Cherry St. Bridge North - Deep Foundation			✓	
Bridge Steel Structure Fabrication & Erection			✓	
River Valley System Soil Mixing and Sheet Piling & Dock Wall			✓	
Cherry St North Construction			✓	
Promontory Parks Earthworks			✓	
Parks Playgrounds Design and Fabrication			✓	
Cherry St Soil Improvement				✓
Sitewide Excavation & Soil Management				✓
River Valley Planting Soil				✓
Bridges: Substructure & Finishes				✓
Design Phase Status				
Cherry St. Realignment		60% Design	100% Design	
Lakeshore Bridge & Rail Modifications		Concept Design		30% Design
Bridges: North, South, Demo, Commissioners		60% Design	90% Design	100% Design
Sitewide Municipal Infrastructure			30% Design	
River Valley System & Don Greenway			D&SP 100% Design	DSM & Exc. 100% Design
Polson Slip Naturalization			D&SP 100% Design	DSM & Exc. 100% Design
Don Roadway Valley Wall Feature			D&SP 100% Design	
Parks: Promontory South and River North			D&SP 100% Design	Rough Grading 100% Design
River Park South			D&SP 100% Design	
Hydro One Integration			Concept Design	
30% Update Component Budget to be Confirmed			✓	
Construction Completion				
River Valley System: East & West Cell - Demolition & Site Preparation		✓		
River Valley System: Mobilization of Soil Mixing Rigs				✓

D&SP = Demolition & Site Preparation, DSM = Deep Soil Mixing, Exc. = Excavation

SITE PHOTOS



Figure 1
Stripping concrete around rails



Figure 2
Rail removal



Figure 3
Asphalt stripping at south end of 51 Commissioners St



Figure 4
Beginning of rail collection



Figure 5
Rail cutting



Figure 6
GHD drilling borehole along Commissioners St

PORT LANDS FLOOD PROTECTION AND ENABLING INFRASTRUCTURE PROJECT

Waterfront Toronto

THE PROJECT

The Port Lands Flood Protection and Enabling Infrastructure project (the Project) is expected to provide critical flood protection to 290 hectares (or approx. 800 acres) of underutilized and underdeveloped lands in the southeastern portion of downtown Toronto, which are at risk of flooding. The scope includes the creation of a naturalized mouth for the Don River that will safely convey flood waters into Lake Ontario; brownfield remediation; the creation of public parks aquatic habitat; and upgrades to municipal infrastructure including roads, bridges, and water and wastewater systems.

A dashboard developed by the Recipient, Waterfront Toronto (WT), outlining the Project components, budget and schedule has been provided in Annex A.

The federal government is contributing \$384.2 million towards the Project under the Toronto Waterfront Revitalization Initiative. This funding is in addition to the \$32.5 million being contributed by the federal government for the Cherry Street Stormwater and Lakefilling Project under the Clean Water and Wastewater Fund. Construction of the Project started on June 18, 2018, and is expected to end on March 31, 2024.

UPDATE:

Design: 30% Design is being formalized by WT and is tracking to be on budget with the schedule still under review. Once the 30% Design is formalized, WT will immediately move to 60% Design. Review of these components will guide assessment as to whether projects are in line with 30% Design cost estimates for the following four Project components: 1) the river valley and parks; 2) roads and bridges; 3) servicing and municipal infrastructure; and 4) flood protection features.

Site preparation: Environmental work is ongoing. WT has utilized an opportunity regarding tree removal by contracting with a demolition company instead of awarding a contract for tree cutting to remove the trees. This saved approximately seven (7) weeks of time and the removed tree trunks were used for the fish habitat.

Challenges in preparation of the underpinning for the Gardiner Bridge component are being assessed. One potential solution involves cutting down the surrounding river area, lowering dockwalls to allow waterflow over top of the structure, and leaving existing structures in place until they can be safely removed. This could involve additional work at a later date. WT is exploring the viability of various solutions.

Construction: WT is mitigating schedule delays through work alignment and sequencing, as well as multi-shift tendering. They will be using double and triple work shifts to build cushion into the construction timeline which can be used for any future delays that may occur. This also allows specialized equipment to be in constant use, which is preferable to the companies that own the equipment.

Budget and Cost: Costs incurred as of September 30, 2018 are approximately \$48.32 million which represent 4.08% of the total project budget (\$1.185 billion). [REDACTED]

Oversight Committee: Terms of Reference (Annex B) for the quarterly INFC-WT Oversight Committee have been completed and executed as of October 24, 2018. The first Oversight Committee meeting was held on September 21, 2018. A second meeting was held on October 25, 2018.

PORT LANDS FLOOD PROTECTION PROJECT

Waterfront Toronto

RISK:

The WT project team is monitoring risks and implementing mitigation activities on an on-going basis. Key risks as of September 30, 2018 are as follows:

- The risk of a cost overrun for the Lakeshore Road and Rail Bridge Modifications component is considered high as the project is now expected to be more than 10% over budget. WT has found a design solution intended to mitigate this risk that has been approved by the City;
- The Gardiner Underpinning is the top risk impacting project cost based on Preliminary 30% Design, estimated at a potential \$27.5 million for the coordination of ramp structure and sediment management. The risk is due to impacts on cost and stability when working on a live structure. The primary issue is that additional work would be required in terms of sediment management and removal, which cannot be done while the structure is standing;
- The Don Roadway North project is forecasted as running 1-6 months behind schedule and is classified as a medium risk; and
- Coordination with Non-Hydro Utilities currently expected to potentially impact project schedule by 6 months based on preliminary 30% Design.
- WT has been contacted by the Transport Canada Navigation Protection Program regarding the planned clearance height of the new Cherry St. Bridge that will replace the old lift bridge at Keating Channel to determine if a higher clearance is required.

COMMUNICATIONS, PUBLIC AND STAKEHOLDER RELATIONS:

- Tenant consultations are ongoing;
- Communications with the Mississaugas of Scugog Island First Nation have been initiated; and
- Communications with the Mississaugas of New Credit First Nation continue.

SHORT TERM LOOK AHEAD:

- WT continues to coordinate with utilities on site, including Hydro, Hydro One, and Enbridge;
- Project teams will continue to work on submissions related to permits from regulatory agencies (e.g. Toronto Heritage Preservation Services; Ministry of Environment and Climate Change);
- An updated draft of the MOU with First Nations will go to the Oversight Committee members and the Province next week for review before negotiations continue;
- Project teams will continue to work on meeting commitments outlined in the Don Mouth Naturalization and Port Lands Flood Protection Environmental Assessment Study. They have engaged with Transport Canada, Navigation Protection Program, in relation to the Cherry Street Bridge removal and replacement;
- Continue with stakeholder management, communicating, and reporting;
- INFC will continue to communicate with WT, the Province of Ontario and the City of Toronto in order to establish a claims procedure to start being used in the next few weeks;
- Through the Oversight Committee, INFC will continue to track the Project's schedule, budget and progress, as well as monitor and report on the Project risks. INFC will also provide and receive regular updates from the Project funding partners (the Province of Ontario and the City of Toronto); and
- The next quarterly INFC-WT Oversight Committee meeting is scheduled to take place in early February 2019. A site visit is being considered for the end of November / early December., 2018

Oversight Committee Terms of Reference

The Port Lands Flood Protection and Enabling Infrastructure Project

Toronto Waterfront Revitalization Initiative

Approved: 09/20/2018

Introduction

The key role of the Oversight Committee (OC) is to ensure that the Port Lands Flood Protection and Enabling Infrastructure Project (the "Project") is being implemented in accordance with the "The Port Lands Flood Protection and Enabling Infrastructure Project Tri-government Agreement" (CA) entered into between HER MAJESTY THE QUEEN IN RIGHT OF CANADA, represented by the Minister of Infrastructure and Communities (herein referred to as "INFC"), HER MAJESTY THE QUEEN, in right of the Province of Ontario, represented by the Minister of Infrastructure (herein referred to as "Ontario"); the CITY OF TORONTO represented by the Deputy City Manager, Cluster B (herein referred to as the "City") and the Toronto Waterfront Revitalization Corporation (herein referred to as "The Recipient").

This document will present guidelines that are designed to provide the OC members with a description of their roles and responsibilities.

The guidelines will serve to clarify key elements and principles of the CA, and to ensure that management of the CA meets legal and policy requirements of the CA. In addition, the guidelines set out administrative practices for operation of the OC.

Interpretation

Any capitalized terms used herein without definition shall have the meaning assigned to it under the CA.

1.0 Roles and Responsibilities of Canada and the Recipient

The CA will be managed in collaboration between INFC, Ontario, Toronto and the Recipient. For the purposes of the OC, only INFC and the Recipient will be a party. The role of each party is described below.

1.1 Infrastructure Canada (INFC)

The Minister of Infrastructure and Communities is responsible for the overall management of federal infrastructure programs. Day-to-day responsibilities are carried out on the Minister's behalf by INFC staff. As the official spokesperson for federal infrastructure programs, the Minister provides information to Parliament and responds to inquiries from the public and media. The Minister is also responsible for signing the CA and its amendments.

INFC provides advice and support to the Minister of Infrastructure and Communities. The department's principal roles in infrastructure projects are to review proposals for infrastructure projects to ensure they are financially and environmentally sound; make a financial contribution to such projects; account for the proper expenditure of its contribution; communicate with stakeholders, including

Parliament and the public; and oversee the implementation of the CA. It is responsible for informing the Minister of any risks associated with the project that cannot be resolved by the OC (e.g. major scope changes to the project, etc.) and to making recommendations to the Minister, as required.

In terms of CA implementation, INFC will act as the Federal Co-chair of the OC. INFC makes payments to the Recipient and monitors progress, to support transparency and reflect due diligence.

1.2 Recipient

The Recipient will be responsible for complete, diligent and timely Project implementation, in accordance with the cost provisions and to all other terms of the CA.

The Recipient will assume full responsibility for the operation, maintenance and repair of the infrastructure investment that is the subject of the CA.

2.0 Oversight Committee (OC)

The OC's main role is to ensure that the terms and conditions (and other affiliated documents) set out in the CA are satisfied.

In order to meet its obligations and accountabilities, the OC must implement the necessary governance structure, outlined in Section 2.1 of these guidelines, and perform the tasks that are required to:

- Ensure that all the obligations inherent to the CA are met by all parties;
- Inform and be informed in a timely manner on all aspects that may impact the Project's objectives (scope, time, budget); and
- Have discussions and make recommendations and see to their implementation and follow-up.

The OC's key duties in relation to Canada's contribution to the Project are:

- a) monitor the progress and the payment for the Project;
- b) act as a forum to resolve potential issues and address concerns;
- c) monitor compliance with the terms and conditions related to INFC's contribution to the Project;
- d) review and as necessary, recommend to the Parties amendments to the CA; and
- e) attend to any other function required by the CA in relation to Canada's

contribution to the Project, or as mutually agreed to by the Recipient and Canada.

The OC will continue to operate until the Recipient meets all of the project closure requirements outlined in the CA, including any audits, reports and final adjustments.

Note: All information submitted to Canada through the OC is subject to the *Access to Information Act* and the *Privacy Act*.

2.1 Structure

i) OC membership comprises the following:

Co-chairs

- INFC representative
- Recipient representative

Members

- Federal representative
- Recipient representative

Other participants

- Other attendees as requested by the OC Co-chairs. Participation of additional attendees should be approved by both Co-chairs.

The Federal Co-chair and Federal Member are appointed by INFC and announced by letter or by email. Should INFC need to change the appointments, new nominations will be secured and announced by letter or email to the Recipient Co-Chair.

Nomination for these appointments will be provided to the Federal Co-chair by letter or by email before the first official meeting of the OC. Should the Recipient need to change the appointments, new nominations will be secured and provided to INFC.

2.2 Alternates

Co-chairs and Members of the OC may authorize, before a meeting, by letter or by e-mail, an alternate to attend an OC meeting on the behalf of an absent Co-chair or member. A written record of the appointment of the alternate shall be retained in the project files (by means of a note in the meeting minutes, a letter, or e-mail). No party shall be represented by more than one alternate at any single OC meeting.

2.3 Meetings

INFC, in consultation with the Recipient, will meet as required but at a minimum every quarter.

- a) Notice
The Co-chairs will ensure sufficient notice of upcoming meetings is given to all members.
- b) Quorum
The quorum for any meeting must include the Federal Co-chair and Recipient Co-chair or their alternates.
- c) Request for Meeting
Meetings of the OC may be called at any time by the Co-chairs as required.
- d) Location of Meetings
Unless mutually agreed in advance, the Co-chairs will use their discretion to determine meeting locations. Meetings may be held by teleconference or in person.
- e) Agenda
Both Co-chairs must agree on the agenda for all meetings in advance. The agenda will be issued to OC Members by one of the members.
- f) Chair
The meetings will be chaired by the Federal Co-chair and by the Recipient Co-chair, on an alternating basis.
- g) Recommendations
Recommendations of the OC must be unanimous and recorded in the minutes of the meeting.

Recommendations will be confirmed in the official minutes that will follow. In the event that a recommendation of the OC is in doubt, pending publication of the official minutes, confirmation should be solicited from the Co-chairs.

Should a resolution on an issue be required prior to the next OC meeting and it does not prove possible to convene a meeting either by teleconference or in person, email approval of recommendations will be accepted. If a subsequent OC meeting is held, the recommendation should then be recorded in the minutes.

- h) Dispute Resolution
In circumstances where an issue cannot be resolved at the OC level in accordance with relevant section of the CA, the Co-chairs will escalated the issue to Senior Officials.

i) Minutes

The Federal Co-chair and Recipient Co-chair are responsible for ensuring minutes are drafted for each OC meeting. Once drafted, minutes will be signed by the Co-chairs and presented at the next meeting so they become official.

3.0 Project Monitoring

A key role of the OC is to oversee the CA and ensure that the Project complies with the terms and conditions of the CA.

The following activities may be reported by the Recipient and monitored by the OC:

- Status of tendering of contracts;
- Project component and/or milestones, their descriptions and timelines;
- Implementation of the project is in accordance with the terms and conditions of the Duty to Consult (DTC), Environmental Assessment (EA), and other provincial, territorial or federal environmental permits, licenses and approvals;
- Actual project costs and INFC's contributions compared to approved annual budget;
- Communications Activities;
- Recipient Progress Reports;
- Audits;
- Ensure implementation of audit recommendations are completed;
- Project risks;
- Review of the reporting schedule, and
- Other special conditions as listed in the CA.

3.1 Risk Management

The OC should review the project risks and related mitigation measures identified in the Recipient Progress Report during the OC meetings.

3.2 Site Visits

INFC and Recipient officials may take part in site visits from time to time to determine the following:

- That the Project is being constructed as described in the CA;
- That any changes to the Project are being implemented in accordance with the CA;
- That the observed progress on the Project is consistent with the claims for payment which have been submitted to INFC;
- That signage is consistent with the Communications Protocol contained in the CA.

4.0 Change Approval Process

a) Changes to the Project

The Recipient will inform Canada promptly of any changes to the Project. The Recipient agrees that any changes to the Project will require Canada's consent, which may be subject to terms and conditions, and a corresponding amendment to the CA.

b) Changes to Schedule B.2 (Project Cash Flow)

Schedule B.2 (Project Cash Flow) of the CA should evolve with the life of the Project and be updated at least once a year. When there is a change to Schedule B.2 (Project Cash Flow), INFC will do its best to accommodate the Recipient.

5.0 Reports

The Recipient must submit the Progress Reports and the Project Summary Reports as per Section 6.1 of the CA.

6.0 Audit Plan

If an audit plan is required, it will be discussed at the first OC meeting.

The Audit Plan will include timelines for submission of the audits required and audit follow-up reports. The Recipient will provide the OC with the findings of all audits. If an audit recommends the Recipient to undertake any follow-up actions, this report will outline what the Recipient has undertaken to address the audit's recommendations and results.

The OC will ensure that all required audits, as outlined in the Audit Plan and the CA, are completed and that any concerns identified in the audits are addressed.

7.0 Payment Process

In general, the Co-chairs of the OC are responsible for administering the CA for the project. Therefore, they are responsible for ensuring the accuracy of financial data, particularly with respect to ensuring that project costs are eligible and reasonable and providing timely and accurate information pertaining to the project's cash flow and budget (forecasting potential cost-overruns or future budget issues). The OC should be informed of any concerns regarding the payment process.

INFC will validate the progress claim, ensure that the following conditions are satisfied and arrange for payment:

- The claim is for Eligible Expenditures that are incurred and paid as defined in Schedule A (Eligible and Ineligible Expenditures)

- a breakdown of Eligible Expenditures of INFC claimed by Project component in accordance with Schedule B.2 (Project Cash Flow) and Schedule B.3 (Project Cost Breakdown) of the CA;
- Payments are limited to Eligible Expenditures incurred by the Recipient after the date of cost eligibility indicated to the Recipient by the Minister and before the Project Closure Date;
- The claim is in accordance with the approved Schedule B (Project Description) of the CA and a revised Schedule B (Project Description) has been submitted, if necessary;
- The claim is consistent with the description provided in the Progress Report and progress observed through site visits where appropriate;
- The claim is supported by appropriate invoices and/or justification documents;
- The Progress Reports have been received on time and approved by INFC;
- The amounts claimed do not exceed the Eligible Expenditures for the Project; and,
- There are no other reasons that prohibit payment as per the CA.

Should any of the conditions listed above not be satisfied, INFC and the Recipient will undertake any necessary action (e.g. provide additional information or justification) to attempt to resolve any issues regarding payments. To facilitate the claims process for the Recipient, INFC will provide a guide to submitting claims that outlines all requirements for having claims approved in a timely manner. Upon request, INFC can set up one-on-one training on the claims process and tools.

8.0 Environmental Management/Duty to Consult

The Recipient will be informed by INFC through a letter of any federal requirements under the *Canadian Environmental Assessment Act, 2012* (CEAA 2012) or if there is a duty to consult with and accommodate Aboriginal groups. This letter will be issued by the Aboriginal Consultation and Environmental Services of INFC shortly after the Minister's approval of the project. Federal EA requirements include projects designated under the *Regulations Designating Physical Activities* of CEAA, 2012, for which an EA would be required, or more commonly, projects on federal lands that require an Environmental Effects Evaluation under s.67 of CEAA, 2012.

INFC will monitor the progress of any outstanding consultation or accommodation activities with Aboriginal groups and CEAA 2012 requirements. If applicable (as stated in the letter outlining CEAA 2012 and AC requirements), INFC will request evidence that CEAA, 2012 requirements have been met and evidence of Indigenous consultation and accommodation activities have occurred. If the DTC has been addressed by another Federal/Provincial department in the context of issuing a permit/license/authorization etc. The Recipient will ensure that construction does not begin prior to written confirmation from INFC these requirements have been met.

If there are no formal requirements, INFC and the Recipient will bring to the attention of the OC any environmental issues or issues raised by Aboriginal groups that could interfere with or delay the implementation of the project and, as appropriate, will work together to assist in the resolution of these issues.

9.0 Joint Communications

The Recipient and INFC shall ensure to follow the communication requirements as outlined in Schedule H (Communication Protocol) of the CA.

9.1 Communications with the Public

The OC is responsible for ensuring that all communications related to Project provide for equal recognition of all funding partners. This applies to signs on the Project site and any public announcements related to the Project. In addition, any joint public information must be in both official languages and must comply with the CA signed by INFC and the Recipient.

The Recipient and INFC should provide the OC with advance notice of planned Joint Communication events.

10.0 Project Closure

Once the Project is complete, all relevant information has been received from the Recipient, and all outstanding items have been dealt with, the Project can be closed. The OC's involvement in the closure stage will last as long as it is needed. INFC will provide a project closure guide to be followed by all parties.

Oversight Committee Disbandment

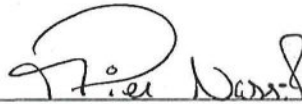
When all closure duties and deliverables have been completed, the OC can be disbanded. This can take place by e-mail, letter or by teleconference by the OC Co-chairs. After the OC's disbandment, the Recipient is responsible for the long-term monitoring of the Project, including possible plans regarding the disposal of its assets, in accordance with the surviving clauses of the CA, and the fulfillment of any other applicable surviving clauses.

SIGNATURES

The Parties have agreed to the Terms of Reference of the Oversight Committee as signed by the authorized representatives on the date stated opposite each respective Party's signature.

INFRASTRUCTURE CANADA

Date: Oct. 15, 2018



Marie-Pier Nassif
Director, Program Operations Branch
Infrastructure Canada

WATERFRONT TORONTO

Date: Oct. 24, 2018



Emil Zelic
Senior Director, Programs Management
Waterfront Toronto

APPENDIX A - Agenda Items for OC Meetings

The following are suggested agenda items for the OC meetings. Although all of the items will not be addressed at each OC meeting, they should all be addressed at some point during the OC's life.

First Meeting	Every Meeting	Meetings as required	Project Closure (if required)
<ul style="list-style-type: none"> • Terms and conditions of the CA • Claims procedure and service standard (required) • Audit Plan • Contracting • Risk Management • Oversight Committee Guidelines 	<ul style="list-style-type: none"> • Note taker • Alternates attending and/or voting on member's behalf (if applicable) • Approval of OC minutes • Progress Reports: <ul style="list-style-type: none"> ○ Update on project status, completed activities and components and/or milestones. ○ Project schedule and any variances. ○ Schedule B.2 (Project Cash Flow) and cash flow forecast ○ Critical issues / decisions pending or implementation of risk management plan. ○ Environmental issues and compliance. • Claims Report • Risk Monitoring • Communications 	<ul style="list-style-type: none"> • Financial Audit • Progress Report • Audit Plan • Communication Plan and activities • Compliance Audit • Plan to address audit recommendations • Project scope modifications • Report on implementation of audit recommendations • Site inspections and reports 	<ul style="list-style-type: none"> • Final claims • Declaration of Completion Form • Project closure • Program evaluation • Oversight Committee Disbandment

Waterfront Toronto DRAFT 2019-2023 Strategic Business Plan

SUMMARY

- Characterized as a *rolling* 5-year Strategic Business Plan, i.e., will be updated on an annual basis as projects and initiatives evolve
- Spending: calls for a total capital investment of \$1.9 billion over the next five years as follows:
 - \$1.5 billion towards WT's portfolio of existing projects (all funded); and
 - \$400 million - raised mainly from philanthropic foundations, private donors and major corporate sponsors - for three *signature* opportunities (Jack Layton Ferry Terminal; Waterfront Walk; Adventure Playground) and two *aspirational* initiatives (Iconic building that could house a Global Centre for Urban Science; Quayside). Approximately 50% of funds would be spent in this five-year strategic business plan cycle.

GENERAL COMMENTS

**Pages 108 to 118
are withheld
pursuant to paragraph
21(1)(a) and 21(1)(b)
of the *Access to Information Act***

**Les pages 108 à 118
Font l'objet d'une exception totale
conformément aux dispositions des
paragraphe
21(1)(a) et 21(1)(b)
de la loi sur l'accès à l'information**

**Pages 119 to 125
are withheld
pursuant to paragraph
20(1)(b)
of the *Access to Information Act***

**Les pages 119 à 125
Font l'objet d'une exception totale
conformément à la disposition de paragraphe
20(1)(b)
de la loi sur l'accès à l'information**



SCENARIO NOTE TO THE DEPUTY MINISTER

MEETING BETWEEN DEPUTY MINISTER OF INFRASTRUCTURE AND COMMUNITIES AND SUSAN HENDERSON, NORTH AMERICAN LEADER, INFRASTRUCTURE INVESTMENT AND ECONOMICS, GHD ADVISORY

MEETING DETAILS

- **DATE/TIME:** Friday, December 7, 2018, 1:00 p.m.
- **LOCATION:** 427 Laurier Avenue, 10th Floor, Room 10-040
- **PARTICIPANTS:**
 - Kelly Gillis, Deputy Minister, Infrastructure and Communities
 - Glenn Campbell, ADM, Investment, Partnerships and Innovation Branch
 - Susan (Susie) Henderson, North America Leader, Infrastructure Investment & Economics, GHD Advisory
 - Gregory (Greg) Carli, Principal and Senior Project Manager, GHD Advisory

Henderson and Carli's Bios are found under **Annexes 1 and 2**.

PURPOSE

- This is an introductory meeting that will allow Ms. Henderson the opportunity to expand on the conversations she had with you while at the C2P3 conference in November.

HIGHLIGHTS/KEY CONSIDERATIONS

- The meeting affords an opportunity to hear Ms. Henderson's views on Waterfront Toronto, including the interface between the Board of Directors and the corporation's executive leadership and staff. A key insight to glean is whether board members feel adequately supported in executing their fiduciary responsibilities to the corporation. Ms. Henderson was appointed by the City of Toronto to Waterfront's Board of Directors in April 2016 (term ending April 2019), where she co-chairs the Investment, Real-Estate, and Quayside Committee.
- The meeting also presents an opportunity for you to learn about the launch of GHD's Advisory business unit in North America. Ms. Henderson and her colleague, Mr. Carli, will likely outline GHD's global experience, expertise and offerings, and may wish to explore where there may be opportunities to offer GHD Advisory's investment and economic analysis services to the Infrastructure portfolio – including with respect to agencies and Boards where INFC has responsibilities. A brief description of GHD Advisory's Finance and Economic Analysis service is found under **Annex 3**.

UNCLASSIFIED

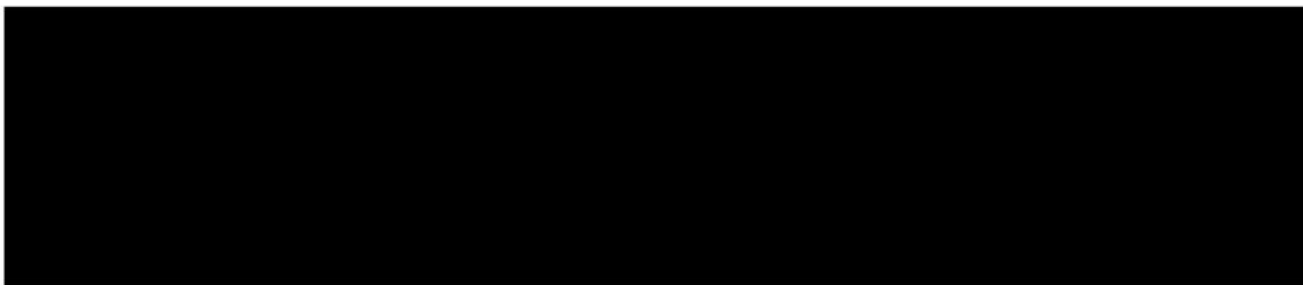
- By the time this meeting takes place the Ontario Auditor General will have released its value-for-money audit of Waterfront Toronto. As such you may wish to ask Ms. Henderson for her views on the main findings of the audit report. Waterfront's Board will have also convened the day prior to this meeting to approve the Corporation's 5-Year Strategic Business Plan (copy found under **Annex 4**).

KEY BACKGROUND

- GHD Pty Ltd is an Australian-based multinational technical professional services firm providing engineering, architecture, environmental and construction consulting and management services.
- GHD employs more than 9,000 people globally (approximately 4,000 in the U.S. and Canada). This includes engineers, architects, planners, scientists, project managers and economist operating in over 200 offices across five continents serving clients in water, energy and resources, environment, property and buildings, and transportation markets. According to the company, the North American region accounts for over 50% of GHD's US\$1.7B global revenue, and Waterloo is the company's largest hub in North America.
- In March 2018 GHD announced the expansion of GHD Advisory in North America. The new business unit offers a range of services extending beyond traditional engineering, including: asset management; infrastructure investment and economics; and risk, assurance and regulation. GHD Advisory's North America offices are headquartered in Waterloo, Ontario, and Niagara Falls, New York. The Waterloo office is located in Waterloo's Idea Quarter (a community-based research park at the University of Waterloo), and consolidates 500 employees in a newly renovated 100,000 sq. ft. work space that opened in March 2018.
- GHD's North American expansion follows-on from its merger with Canadian-based environmental consulting company Conestoga-Rovers and Associates (CRA) in 2015, which now operates as a division of GHD.

PROPOSED TALKING POINTS/PROPOSED QUESTIONS**Waterfront Toronto**

- With respect to the Ontario Auditor General's report, do you feel that the report's findings are balanced? Are there any that you take issue with?

UNCLASSIFIEDGHD Advisory

- Thank you for taking the time to outline GHD Advisory's new North American footprint. Which Canadian clients are using GHD's Infrastructure Investment and economics services?
- Financial and economic analysis is critical to supporting infrastructure investment decisions. What tools and modelling approach does GHD bring to the table in this service area?
- Are there any projects or initiatives that fall within the scope of the Infrastructure and Communities portfolio that you would deem to be good candidates for GHD's financial and economic analysis services?

Attachments:

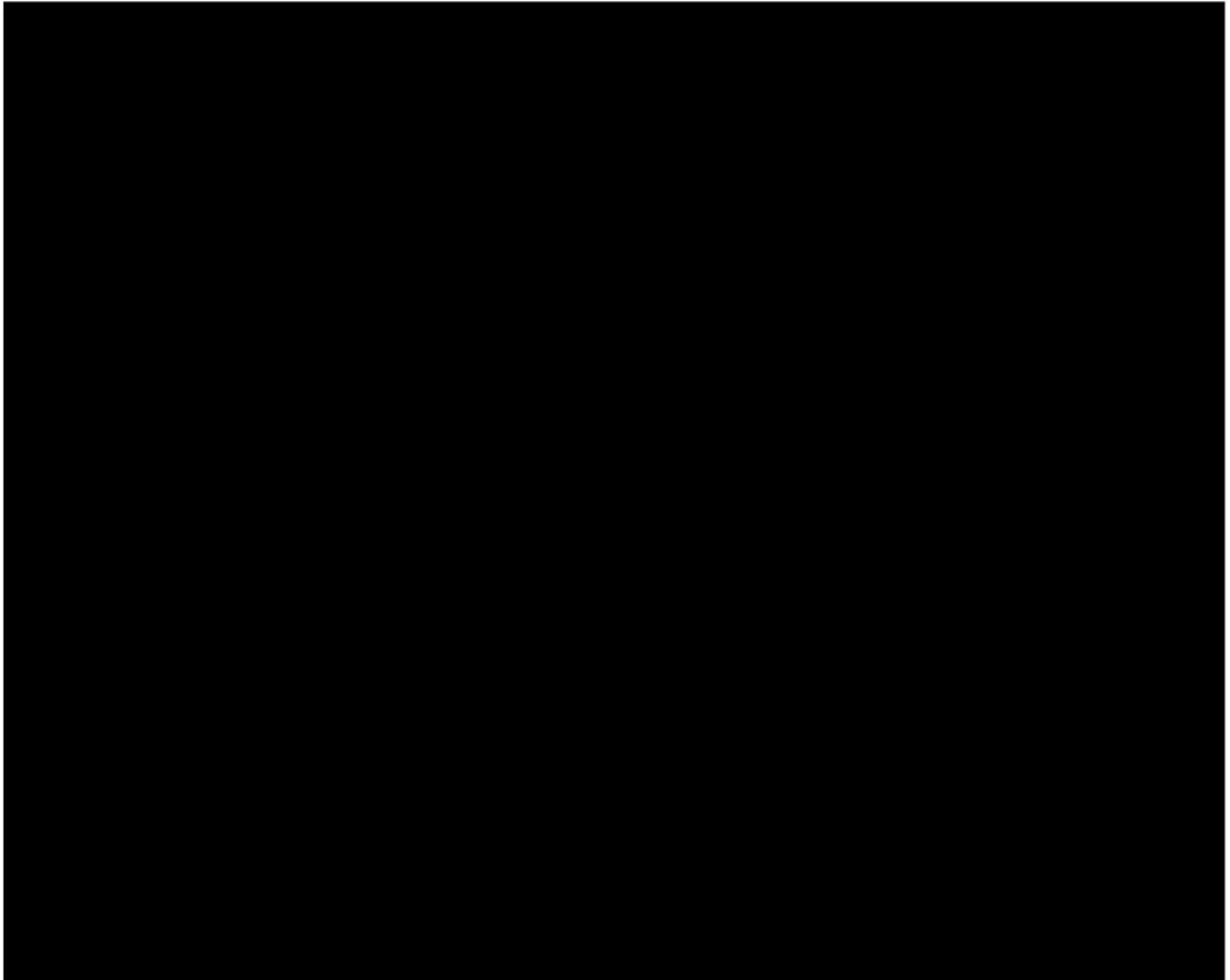
Annexes:

1. Biography of Susan Henderson
2. Biography of Gregory Carli
3. GHD Advisory Infrastructure Investment and Economic Analysis Service
4. Waterfront Toronto 5-Year Strategic Business Plan

ANNEX 1

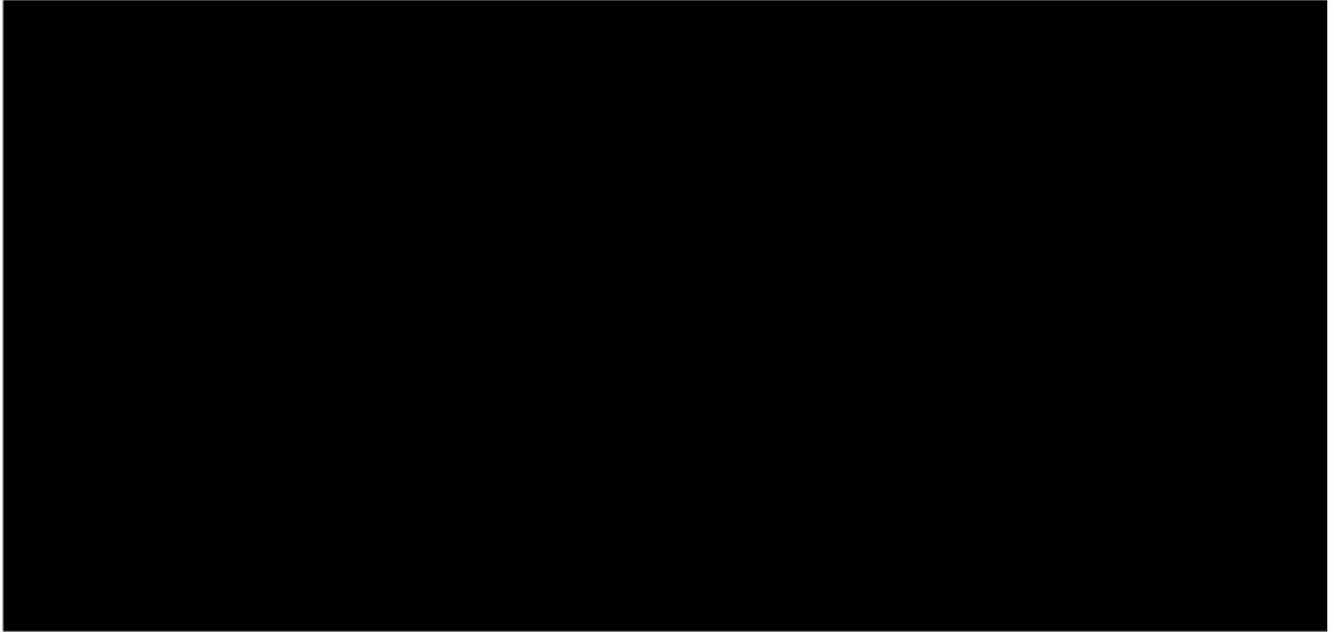
Susan (Susie) Henderson

North American leader, Infrastructure Investment and Economics, GHD advisory



ANNEX 2

Greg Carli
Principal/ Vice President, GHD





Overview Related Projects Related People

More than ever, CAPEX and OPEX decisions are under tremendous scrutiny as markets, technology and budgetary constraints impact whole-of-life costs and long-term project viability.

GHD Advisory supports clients to make infrastructure investment that is far-sighted, viable and backed by detailed financial and economic analysis. We support decision-makers at all levels of government and in the private sector in addressing their infrastructure investment decisions through the application of a wide range of financial and economic tools.

With our connected global network of skilled and experienced finance and economic analysis professionals, we tailor analysis to specific infrastructure assets, organisational performance, regional economic benefits and local, state and federal government initiatives.

Our teams help identify if business-as-usual is the appropriate long-term strategy. Advice to support investment strategy justification is provided at a number of levels - social, environmental and economic. Working closely with clients, we evaluate each stage of the business cycle from initial project options identification through to realistic investment options, operational mode changes, asset replacement and reporting.

Detailed modelling from initial demand forecasting, capital cost estimation and operational costs through to development of a whole-of-life cash flow model underpins financial and economic analysis. Catering for real options analysis, sensitivity and scenario evaluations modelling can be adapted to address benchmarking, asset performance analysis, segment performance and regulatory price setting.

GHD Advisory's Finance and Economics team works with business case colleagues to present analysis in a user-friendly format that clarifies options, ranks possibilities and aids the funding decision process for clients.

December 6, 2018



WATERFRONTToronto

Waterfront Toronto / Rolling Five-Year Strategic Plan / Past · Present · Future

The Opportunity for Toronto, Ontario, and Canada

Toronto is at a critical juncture. It has a strong and diversified economy, a thriving cultural life, and has earned a growing international reputation as a welcoming destination for visitors and new immigrants. At the same time, like other cities around the world Toronto is working to address an array of challenges associated with economic inequality, affordability, mobility and environmental sustainability.

The challenges many cities face today are products of their growth and success. Urbanization is major a global trend: 55% of humanity already lives in cities, and the UN projects that this figure will reach 68% by 2050. The Greater Toronto Area is home to nearly half of Ontarians (48.3%), a share that's expected to keep growing. Toronto's assets and systems—from housing to roads to transit—are strained precisely because so many people want to live and work here.

In addition to facing challenges associated with its growth, Toronto is navigating trends that are shaping life across many jurisdictions. Toronto's neighbourhoods have become more fractured along lines of income and identity. Opportunities related to technological and economic change have been unevenly distributed. Variations in social capital and trust leave some residents at increased risk of isolation. And extreme weather is becoming more frequent, raising concerns about the resilience of our built environment.

Over the next five years, Toronto—and by extension Ontario and Canada, whose economies and reputations are tied to their largest city—has an opportunity to address some of the pressing urban problems of our time, growing economically while thriving socially and culturally. The waterfront is the place where communities and city-builders are bringing some of their best ideas to life. The past 15 years have shown that with meaningful public engagement as well as thoughtful leadership and investment, urban places can be transformed from sites of industrial aftermath to centres of economic, social and cultural success.

Today, with government partners and other stakeholders, Waterfront Toronto is working to build a connected waterfront that belongs to everyone: a leading example of innovative and inclusive urban design, a magnet for investment and job creation, and a source of pride and inspiration for Canadians.

To create a waterfront that supports the outcomes that matter to Canadians we're thinking and building at the intersections of innovation and job creation, city-building and public good.



Located at the heads of three slips along Queens Quay, the WaveDecks are functional urban docks that have helped to turn a cramped sidewalk into a generous, accessible public promenade. Since they opened in 2008, the WaveDecks have earned nine urban design awards.

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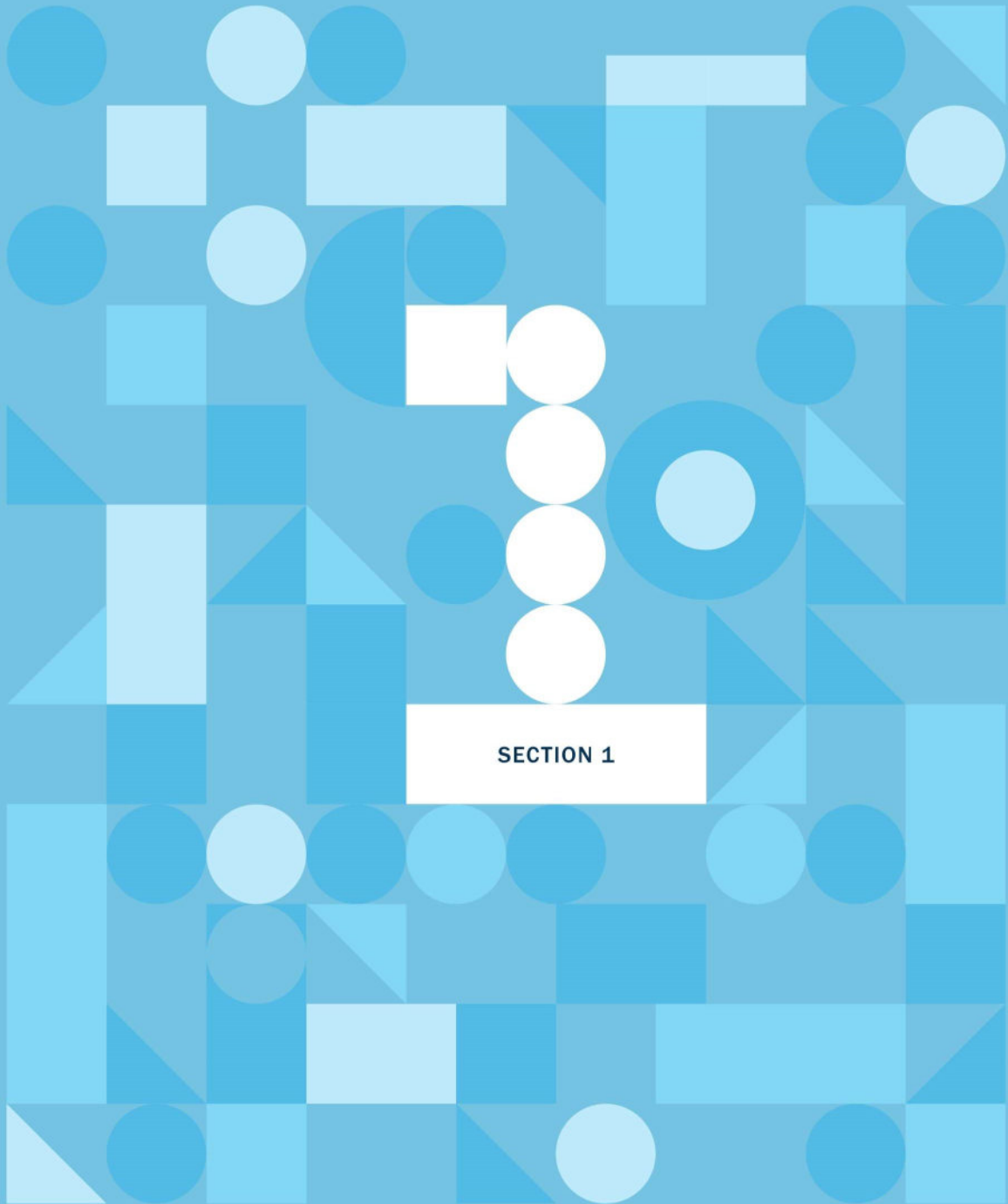
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Waterfront Toronto came together in 2001 to tackle big issues along the waterfront that only powerful collaboration across all three orders of government could solve.

The governments of Toronto, Ontario and Canada laid out a clear and ambitious mandate for Waterfront Toronto: to enhance the economic, social and cultural value of waterfront lands, and to create an accessible and active waterfront for living, working and recreation. Governments directed Waterfront Toronto to deliver these outcomes with a high degree of fiscal and environmental responsibility; in partnership with the private sector; with active public engagement and participation; and in a way that would ultimately make the continued growth and revitalization of the waterfront self-sustaining.

The pages that follow offer an overview of our work to date, and the substantial progress we've made in transforming the lands by the lake into one vibrant and connected waterfront that belongs to everyone.

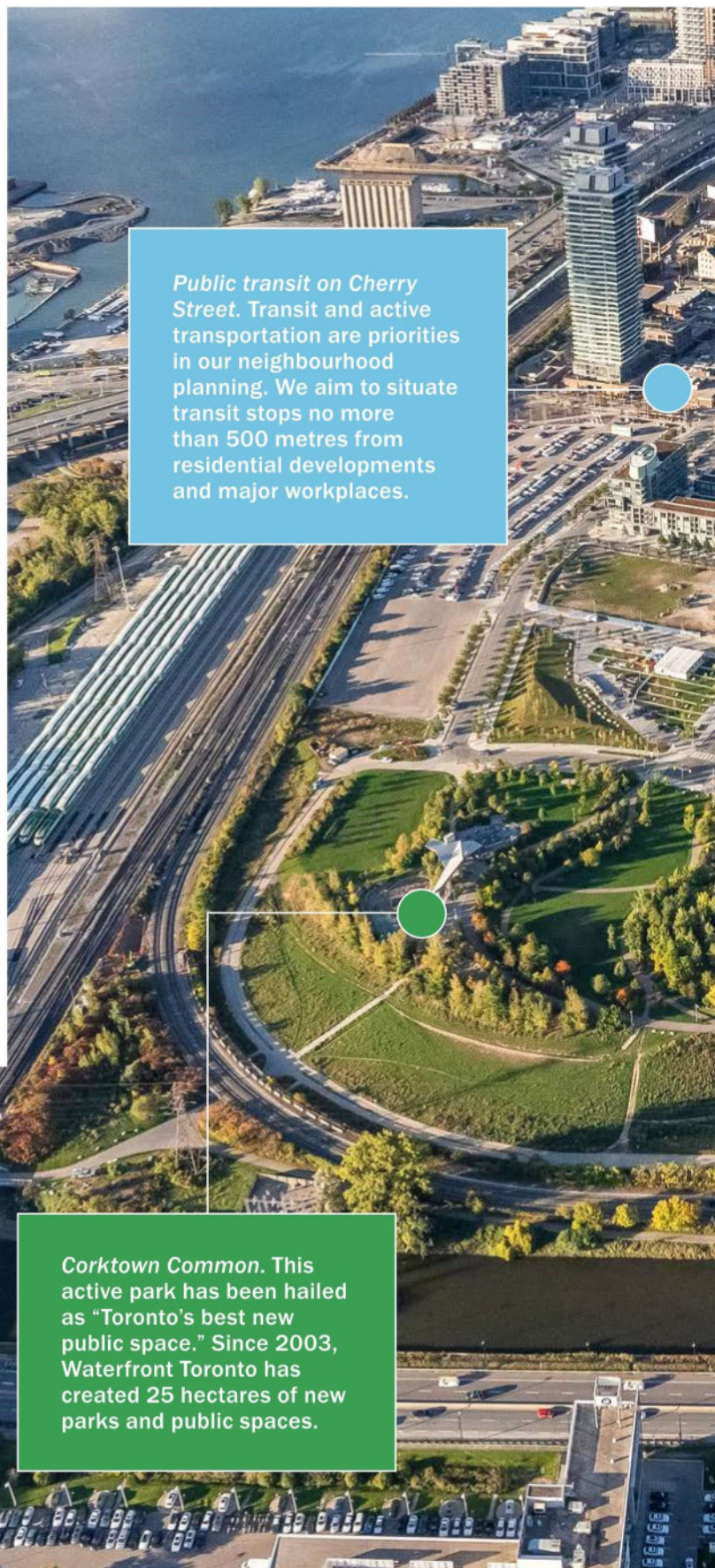
New Neighbourhoods

The West Don Lands, pictured here, is one of several new neighbourhoods whose development Waterfront Toronto has enabled.

In 2001, this 32-hectare tract of land was underutilized, and contaminated from past industrial use. We began by remediating the soil and crafting a community-informed master plan for the area, including plans for high-quality infrastructure and public spaces. This foundational work made the West Don Lands an attractive target for private-sector investment, enabling us to take parcels of land to market and earn a profit for taxpayers.

As private developers got to work on new residential and commercial buildings—designed and constructed according to our rigorous sustainability requirements—Waterfront Toronto partnered with Infrastructure Ontario and others to make sure the neighbourhood would include affordable housing, social services, and neighbourhood assets—in this case a YMCA.

Today, this area is home to thousands of people and many successful local businesses. In 2017/18 the West Don Lands won an Urban Land Institute Global Award for Excellence and was praised as, “a global showcase of city-building...that’s for and about the people it serves.”



Public transit on Cherry Street. Transit and active transportation are priorities in our neighbourhood planning. We aim to situate transit stops no more than 500 metres from residential developments and major workplaces.

Corktown Common. This active park has been hailed as “Toronto’s best new public space.” Since 2003, Waterfront Toronto has created 25 hectares of new parks and public spaces.



The Cooper Koo Family YMCA. Waterfront Toronto's planners make sure new neighbourhoods have the social infrastructure people need to connect locally.

New residential developments. So far, waterfront developments have added or have under construction almost 5,500 new residential units (a small share of these are under construction but most are occupied). In lands under Waterfront Toronto's control, we require 20% of all residential units to be affordable rental housing, and an additional 5% to be low-end-of-the-market ownership.



Underground stormwater infrastructure. Waterfront Toronto has added more than 11 kilometres of stormwater sewers, as well as 17.7 kilometres of sanitary sewers and watermains, to lakeside districts.

Site of lakefilling operations connected to Villiers Island. The creation of Villiers Island and related works are some of Canada's largest ever infrastructure initiatives. Waterfront Toronto has developed a community benefits plan that ensures these major public investments will do double duty: flood protecting the city while fuelling lasting and inclusive economic development by providing opportunities to people who face barriers to employment.

The Cherry Street Stormwater Management Facility. Slated for completion in 2020, this will be a state-of-the-science treatment plant that protects local ecosystems by treating runoff before it enters the lake. The treatment system will remove oil and sediment, and use ultraviolet light to disrupt harmful bacteria.

Flood Protection and Infrastructure

Toronto's financial district. The benefits of our flood protection work extend west to the financial district and east to Leslieville. Our past work has protected 210 hectares of land near the lake. Once fully realized, our Port Lands flood protection initiative will safeguard an additional 290 hectares, unlocking the development potential of prime land that represents more than a third of the designated waterfront area.

Waterfront Toronto was created to unlock the extraordinary potential of the lands along the lake. Flood protection is an essential part of that mission.

As extreme weather becomes more frequent, protecting the city from surging water is becoming an even more urgent imperative. Through Waterfront Toronto, the governments of Toronto, Ontario and Canada are investing to meet this challenge for the benefit of homeowners, businesses, neighbourhoods and the wider economy.

We've already made significant progress, delivering a critical flood protection landform at Corktown Common (see image). Our most substantial project, the Port Lands flood protection initiative, got underway in 2017 with a \$1.25 billion contribution from the three orders of government. It's expected to be completed in 2023/24.

In addition to protecting the city from flooding, we're adding important infrastructure to manage stormwater—creating channels that allow high volumes of runoff to flow safely away from neighbourhoods while protecting the health of the lake.

Flood protection structure. A beloved community park, Corktown Common is also a carefully designed part of the flood protection system around the Don River. Underground, a four-metre clay substructure reshapes the river's floodplain, helping to safely direct flow south to the lake when water surges.

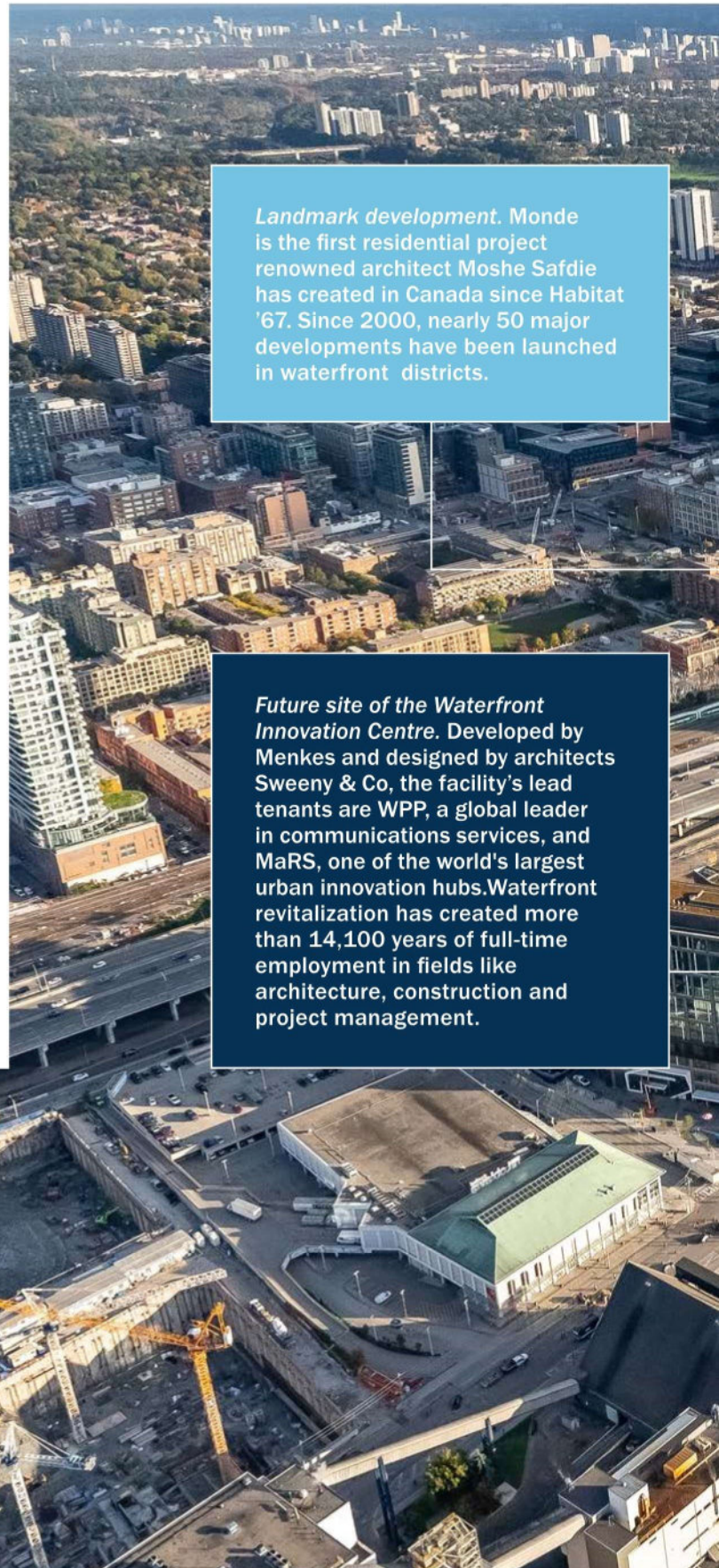
Attracting Investment

When Waterfront Toronto was created, the governments of Toronto, Ontario, and Canada pooled \$1.2 billion in seed capital to fuel an extensive program of waterfront revitalization. The goal was to unlock the latent value of prime lands along the lake—to build prosperity and enhance quality of life.

East Bayfront, the 23-hectare development pictured here, is just one area where we created the conditions for major job-creators and post-secondary institutions to locate on waterfront lands, activating an underutilized area and building momentum for further investment.

We've attracted developers, private firms and institutions by doing essential foundational work, like crafting excellent master plans, carrying out environmental remediation and flood protection work, and collaborating on key civic infrastructure. With strong partnerships across all three levels of government, Waterfront Toronto has been uniquely equipped to solve complex city-building challenges and move revitalization forward.

Government investments in Waterfront Toronto have realized over \$10 billion in new-private sector investment. The return on public sector investment has been \$4.1 billion in total economic output to the Canadian economy.



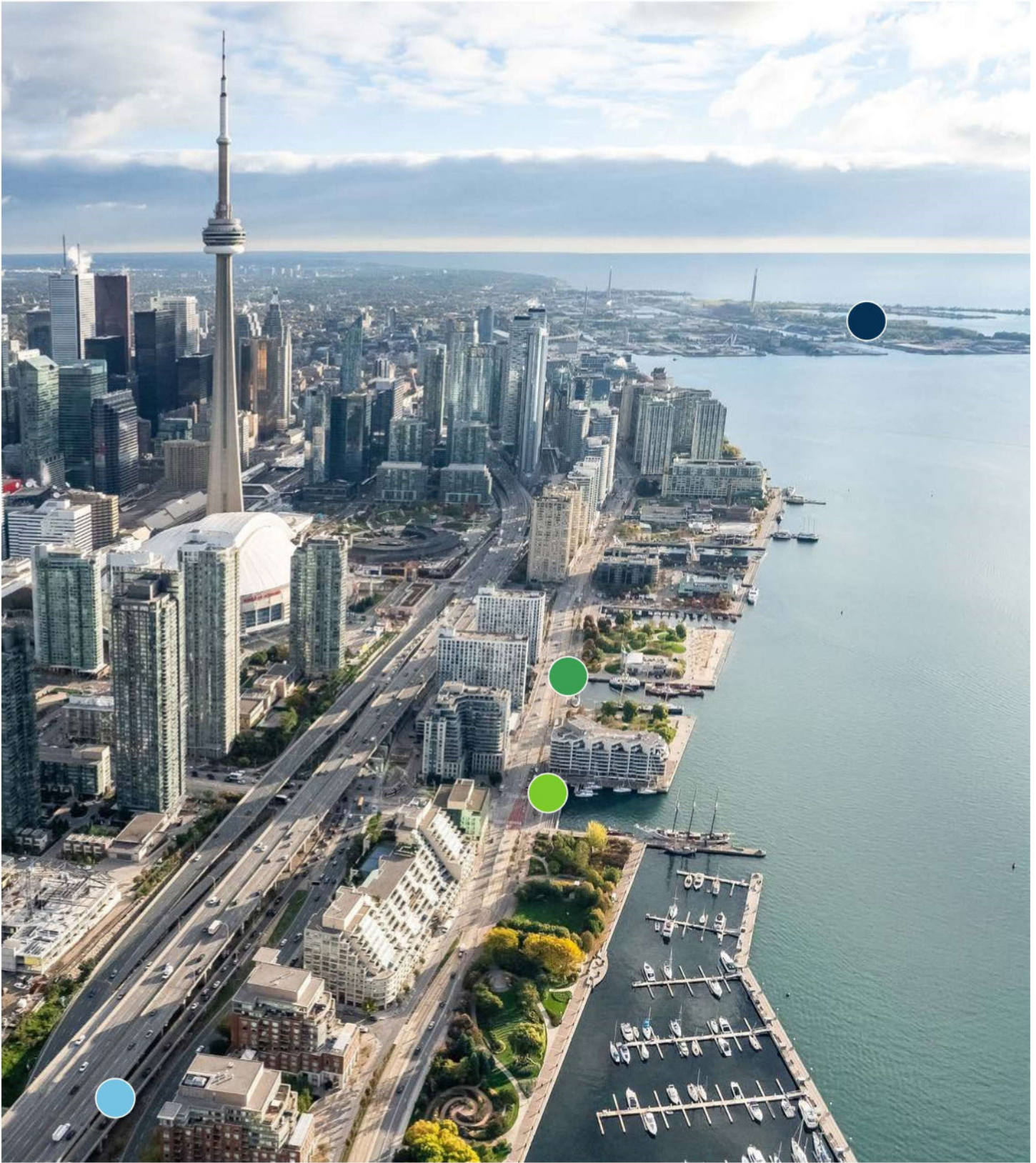
Landmark development. Monde is the first residential project renowned architect Moshe Safdie has created in Canada since Habitat '67. Since 2000, nearly 50 major developments have been launched in waterfront districts.

Future site of the Waterfront Innovation Centre. Developed by Menkes and designed by architects Sweeny & Co, the facility's lead tenants are WPP, a global leader in communications services, and MaRS, one of the world's largest urban innovation hubs. Waterfront revitalization has created more than 14,100 years of full-time employment in fields like architecture, construction and project management.



George Brown College's Waterfront Campus. In addition to classrooms, labs, and collaborative spaces, the Daphne Cockwell Centre for Health Sciences—promoted by the College as “one of the city's most architecturally striking learning environments, overlooking the Toronto harbour”—includes dental, hearing and other community health clinics that let students work with real patients in a supervised setting.

The headquarters of Corus Entertainment. High-quality infrastructure is one factor that's attracting major employers to waterfront districts. For instance, our partner Beanfield Metroconnect has used fibre optic technology to build Canada's first open-access ultra-high-speed broadband network, which makes internet speeds in waterfront precincts much faster than the North American average.



We led the transformation of Queens Quay from an unfriendly arterial road with ageing infrastructure to a balanced, modern street that invites people to enjoy the lakeshore. Today the area has updated infrastructure underground, more than 150 new trees, a generous granite sidewalk and still plenty of room for cars and light rail transit.

Waterfront Access and Connections

Providing safe and easy access to the shores of Lake Ontario is an important part of our work. To date, we've created over 13 kilometres of trails and promenades in key areas of the waterfront, as well as a range of parks and public spaces that facilitates active transportation and make it more fun for people to move through the city toward the water.

Every public space we create or redevelop is accessible according to the Access for Ontarians with Disabilities Act (AODA). This includes recreational trails and beach access routes, outdoor eating areas, outdoor play spaces, parking areas, service counters and other amenities.

In addition to making the water's edge more accessible to everyone, we ensure that new waterfront neighbourhoods are connected to the fabric of the city—with roads, transit service and active transportation routes. These links support the success of local businesses, make the waterfront a better place to live and help realize the vision of one connected waterfront that belongs to everyone.

Whether in parks, on beaches, or along public promenades, Waterfront Toronto has created more than 13 new linear kilometres of public waterfront access—like this stretch of the Water's Edge Promenade.



- We partnered with the City of Toronto to deliver The Bentway. In addition to providing new recreational space under the Gardiner Expressway, this linear park makes it easier and more pleasant to get to and from the lake on foot or by bike.
- The Queens Quay streetcar line is a key transit link to and across the waterfront. We've partnered actively with the City of Toronto, the TTC, and others to plan for intensified transit connectivity along the lake. Some new routes are already active, and bigger changes, like the East Harbour Transit Hub, are coming.
- The Outer Harbour Recreational Node, created in 2015, is a thoughtfully constructed outcropping that offers an accessible space for fishing, birdwatching and simply enjoying nature. We connected it to the Martin Goodman Trail, and made shoreline improvements to offer better habitat for fish, amphibians and native plants.
- The Martin Goodman Trail, which runs parallel to this stretch of Queens Quay, is a favourite route for cyclists and joggers. Waterfront Toronto has added more than 5,800 linear metres to the trail.

Sustainability

Sustainability and resilience are at the heart of Waterfront Toronto's mandate and approach. In every project we deliver, we strive for a win-win: a lakeshore that supports a thriving city while sustaining healthy ecosystems.

Our Minimum Green Building Requirements, which have guided the development of all new buildings on lands under our stewardship, have resulted in neighbourhoods with exceptional performance in energy consumption, low carbon emissions and reduced waste generation. Developments constructed in line with our standards have also realized 40% energy cost savings.

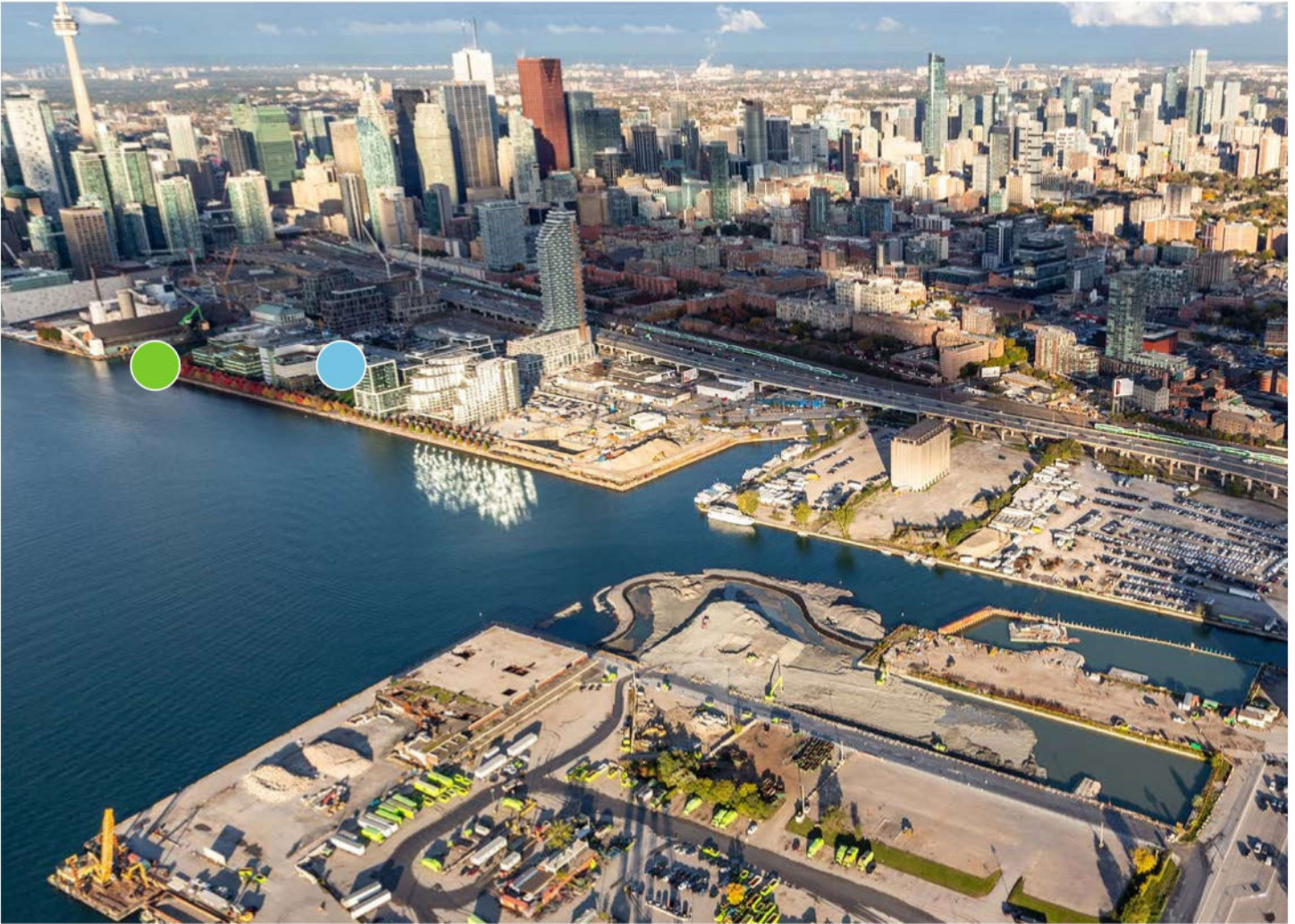
We've addressed contamination risk in more than 65 hectares of soil, supported the development of a healthy tree canopy and improved plant and wildlife diversity on land with carefully planned parks. Our work has also supported biodiversity in the water: we've enhanced over 118,000 square metres of marine habitat and carried out extensive shoreline remediation to create more supportive environments for fish and amphibians.

By guiding the creation of a greener built environment and supporting the health of ecosystems in and around the lake, we're creating a waterfront where people and nature thrive together.

Trees on the Water's Edge Promenade, like hundreds of others across the waterfront, benefit from soil cell technology. Soil cells are composed of a tiered web of rigid boxes that prevent soil from compacting under the weight of city pavement. When revitalization is complete, all waterfront trees that don't live in parks—about 16,800 of them—will have soil-cell technology to help their roots to spread and thrive, keeping them healthy as they grow to full maturity.

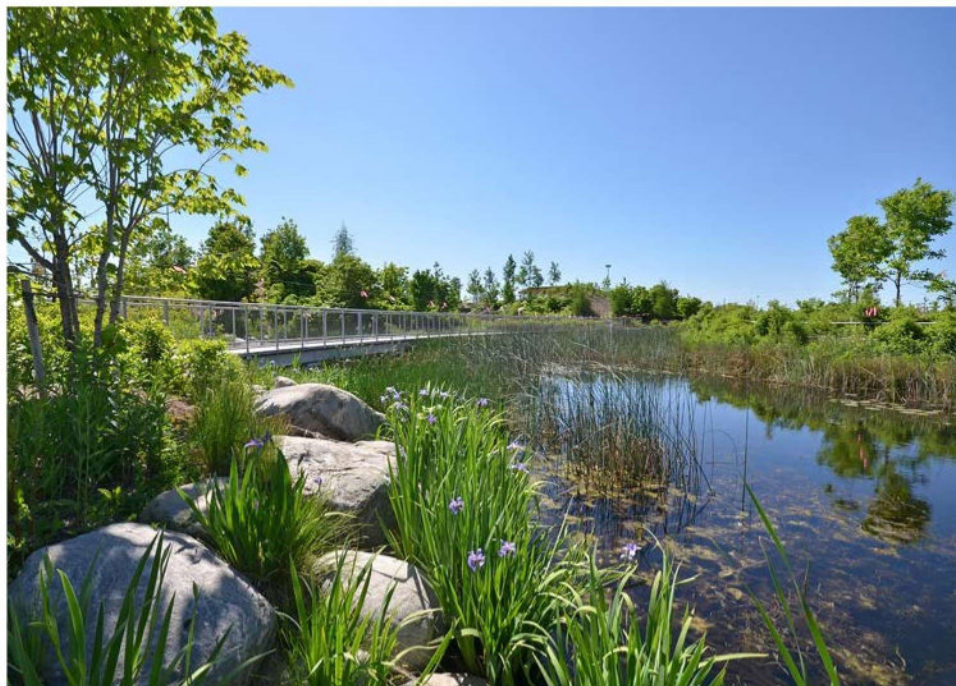
Aqualina at Bayside, a Tridel development, is a landmark in sustainable residential development. It's pursuing LEED Platinum certification and will include a Net-Zero Dwelling: a distinction units can earn when 100% of their energy is supplied by zero-carbon, on-site renewable sources. Waterfront Toronto's green building standards, which have supported a culture of sustainable design in lakeside districts, have been honoured with one of the field's most prestigious awards: the Globe Award for Environmental Excellence in Urban Sustainability.





BELOW: In addition to providing flood protection and amenities that enhance neighbourhood life—like an athletic field and a splash pad—the 7.3 hectare Corktown Common includes an extensive landscape of marshes, prairies and woodlands to promote biodiversity. Its plants are 95% native and Toronto-adapted species. The park's ecological richness has created a welcoming environment for wildlife and migratory birds.

LEFT: When we built the WaveDecks, we enhanced the marine habitat underneath by installing a variety of structures such as river-stone shoals, boulders, root balls and logs. These structures support plant growth and increase shelter and foraging opportunities. The number and diversity of fish species in the area have increased markedly over the last decade.





Toronto is attracting growing international attention as an open, safe and inclusive city filled with opportunity. The next five years will be a defining time for Toronto—and the waterfront can be a place that embodies the city's values and ambitions, while communicating a unique identity to the world. Waterfront Toronto's government partners have an opportunity to harness growing development momentum in one of the world's most promising city-building landscapes, fuelling economic growth and innovation while prioritizing inclusion, enhancing quality of life and setting new standards in sustainability.

This plan describes how Waterfront Toronto proposes to extend its record of success, working with our stakeholders and the public to realize the next phase in a revitalization process that's already begun to establish the waterfront as a magnet for investment and jobs; a model for inclusive urban design and development; and a source of pride for Canadians.



"The Water Guardians," by Jennifer Marman and Daniel Borins, one of eight permanent public art installations in waterfront districts. While the strength of our public art program attracts outstanding artists from across Canada and around the world, all of our commissions to date have been fabricated in Ontario.

In 2001, the governments of Toronto, Ontario and Canada laid out a clear and ambitious mandate for Waterfront Toronto: to enhance the economic, social and cultural value of waterfront lands and to create an accessible and active waterfront for living, working and recreation.

Our Record and Approach

Since 2001, Waterfront Toronto has catalyzed the revitalization of nearly 100 hectares of land along the lake. Our work has added 25 hectares of new parks and public spaces, 13 kilometres of trails and promenades by the lake, roughly 5,500 new downtown housing units (nearly 600 of them affordable), and attracted \$10 billion in private-sector investment to waterfront districts, which has meant more than 14,100 years of full-time employment. With Port Lands flood protection underway, an additional 290 hectares of waterfront land will soon be unlocked for development—adding to the 210 hectares our past flood protection work has already safeguarded.

Waterfront Toronto has achieved these results through its distinct value-creation model and by playing a unique role in Toronto's development ecosystem, as a master planner, master developer, innovation partner, capital connector and trusted public steward. Throughout its history, Waterfront Toronto has built a reputation for meaningful public consultation, for fiscal responsibility and accountability, and for leading the way on sustainability and resilience in the built environment.

Our Plan for 2019/20–2023/24

Core Commitments That Guide Our Work

Waterfront Toronto envisions a connected waterfront that belongs to everyone. Work over the next five years will be grounded in three core commitments that advance our vision.

City-building. We will continue to contribute to the urgent global conversation about how to create better cities by addressing issues like affordability, mobility, connectivity and sustainability.

Innovation and job creation. We will continue to use smart planning and effective partnerships to create jobs and unlock even more of the enormous economic value of the waterfront.

The public good. We will continue to work in a transparent and accountable way while actively seeking public input to ensure that we're improving quality of life through every project we deliver.

Enabling Factors That Support the Delivery of Our Plan

A new enabler, to fuel our plan and strengthen our organization

Increased capacity related to philanthropy and partnerships.

Waterfront Toronto plans to develop new capacity in fundraising and partnerships beginning in fiscal 2019/20, understanding that philanthropy poses new opportunities as well as challenges, including significant resource implications for Waterfront Toronto. The Corporation obtained Qualified Donee status from the Canada Revenue Agency in 2017, which enables us to work alongside our partners at the City of Toronto to connect with institutions and private donors seeking to direct philanthropic investments toward civic placemaking projects and the public realm.

Existing enablers that are important to the delivery of our plan

Governance. Waterfront Toronto has always benefited from collaboration among the three governments. Over the next five years, continued coordination among governments across the range of mission-critical issues will strengthen Waterfront Toronto's ability to deliver this plan.

Borrowing powers. Our access to a \$40 million credit facility is a key financial foundation of this strategic plan, as it enables us to optimize cashflow throughout multiple project lifecycles. This is an important capability because the timing of the funding and/or revenues we receive and the infrastructure investments we need to make do not always coincide. Waterfront Toronto will continue to use our borrowing access responsibly, with full accountability to governments.

The Next Phase in Waterfront Revitalization: Projects 2019/20–2023/24

Over the next five years—in keeping with our mandate, guided by our core commitments and supported by the three enabling factors described above — Waterfront Toronto plans to deliver a portfolio of projects that represent the next phase in the revitalization of Toronto's waterfront. These projects, which harness a combined investment of \$1.5 billion over five years, are oriented toward expanding economic opportunity and increasing connectedness and mobility around the entire perimeter of Toronto Harbour: creating new destinations, a more seamless pedestrian experience and a more robust waterborne transportation system.



Waterfront Toronto's public consultation approach is designed to provide all participants with a realistic understanding of the goals of the process, how decisions will be made and the impact of their participation.





Sherbourne Common is the first park in Canada to integrate an ultraviolet (UV) facility for neighbourhood-wide stormwater treatment into its design. Collected stormwater is treated in an underground UV facility and released from three art sculptures into this 240-metre urban river channel. It flows across the length of the 1.5-hectare park and safely into Lake Ontario.

Priority Projects

The Port Lands Flood Protection. Enabled by a combined \$1.25 billion investment from the governments of Toronto, Ontario and Canada, this work will protect large areas of the city from flooding and unlock the development potential of 290 hectares of prime land.

Complete Communities. Through activities like master planning and infrastructure development, Waterfront Toronto will continue to ensure that the large parcels of land available for development by the lake are transformed into thriving neighbourhoods.

Public Places. Waterfront Toronto will complete work on three new waterfront parks, extend the Water’s Edge Promenade and continue to work toward an increasingly vibrant public realm—including the ongoing development of our internationally recognized public art program.

These three projects have funding commitments in place and work underway. We project that work on Waterfront Toronto’s Priority Projects will be 98% complete by the conclusion of this plan at the end of fiscal 2023/24.

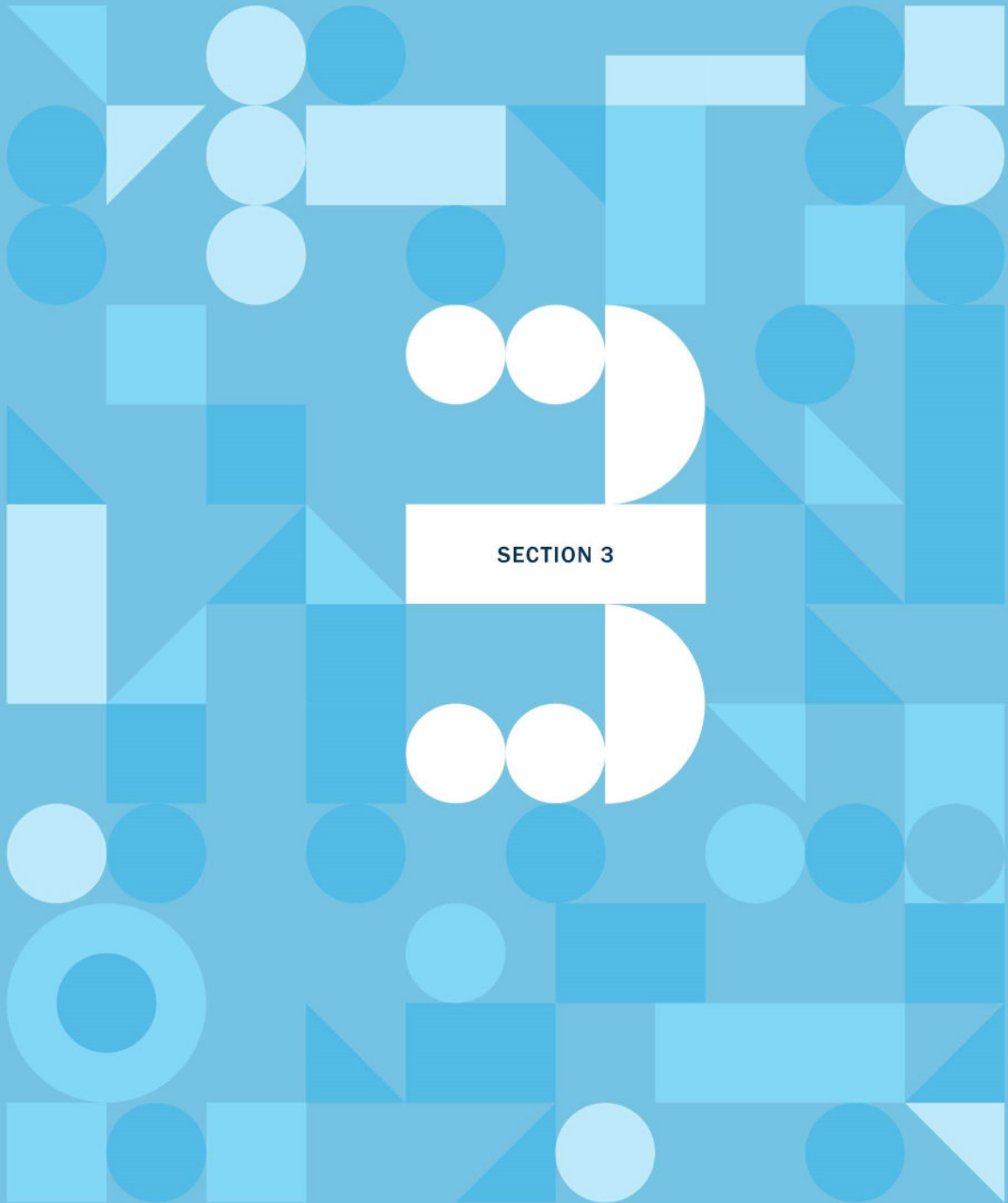
New Potential Projects

In partnership with other public entities, private philanthropists and the public, Waterfront Toronto will carry out due diligence to test the feasibility of four new projects that are currently unfunded:

- A continuous Waterfront Walk that offers a seamless pedestrian experience by the lake
- A new Signature Structure to capture Toronto’s identity and anchor an economic cluster
- An enhanced Jack Layton Ferry Terminal and Harbour Square Park
- A Destination Playground offering children immersive, nature-focused play

Moving Ahead

The plan that follows is a rolling five-year strategic business plan that will be updated annually as its projects evolve alongside regulatory, funding and other factors. Waterfront Toronto will maintain its accountability for the initiatives laid out in this plan and for the stewardship of the public resources entrusted to it. Details regarding funding and Waterfront Toronto’s framework to track its performance in delivering on public investments are included in the final section of this plan.



Waterfront Toronto plays a unique role in Toronto's development ecosystem. As a tri-government organization, we were built to collaborate—and we work effectively with a wide range of partners, from private developers and conservationists to community groups and social service agencies. This section provides an overview of how we create value for the public by catalyzing the development of underutilized lands. It describes our mandate, track record and core capabilities, and the mechanisms that help us meet high standards of transparency and accountability as we manage substantial public investments in waterfront revitalization projects. The pages that follow also articulate our work and philosophy when it comes to ensuring the public is meaningfully consulted in our planning, policy and design processes.

Mission & Mandate

Who We Are

Waterfront Toronto is working to create a vibrant, connected waterfront that belongs to everyone. As city-builders, we care about creating neighbourhoods, parks, destinations and infrastructure that makes people’s lives better.

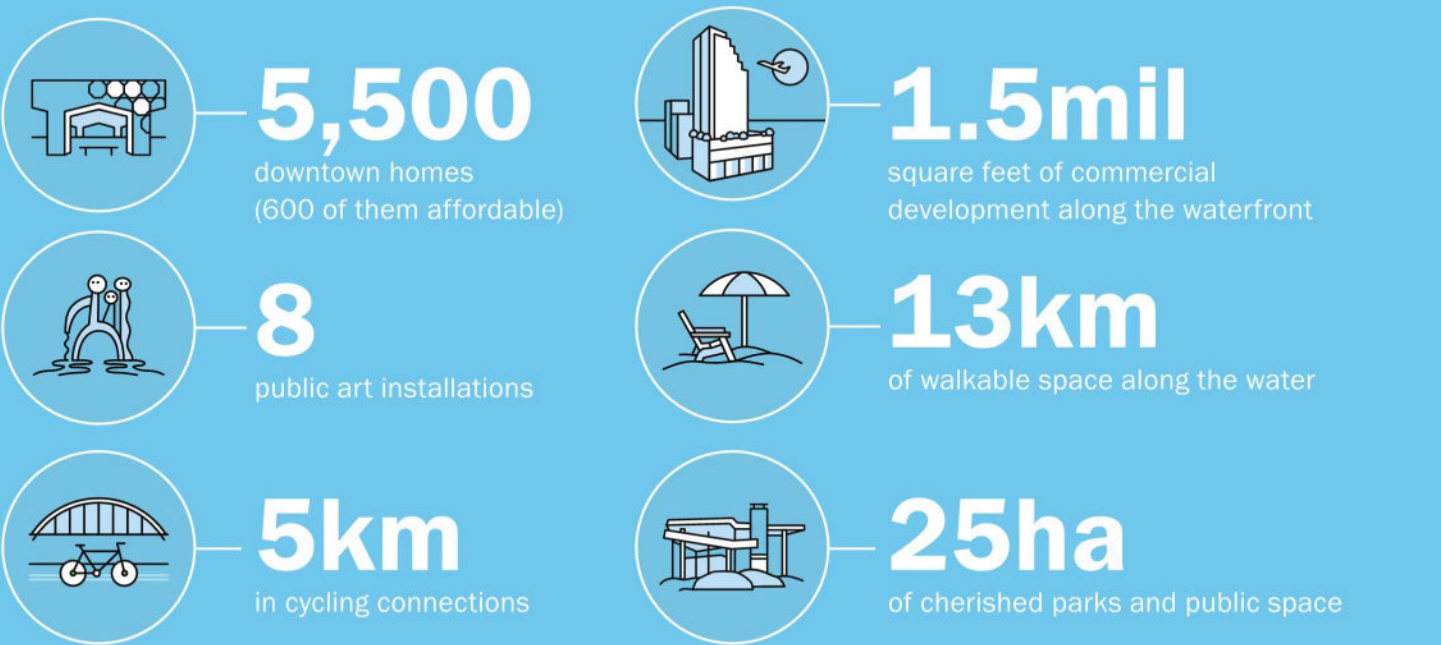
Mandate

Our organization was established in 2001 by the Government of Canada, the Province of Ontario and the City of Toronto to unlock the social, cultural and economic potential of the waterfront. Our mandate has been to apply best practices in urban revitalization—from infrastructure and new technology to leading strategies in design and sustainable development—to over 800 hectares of underutilized land along Lake Ontario.

Record

So far, we’ve led or catalyzed 2.5 million square feet of development along the waterfront, adding affordable housing, commercial space, aquatic habitat, critical infrastructure and beloved public spaces. Our projects have included the West Don Lands, Corktown Common, Underpass Park, Sugar Beach, Sherbourne Common, Queens Quay, East Bayfront, the Port Lands, Jack Layton Ferry Terminal and The Bentway.

What We’ve Realized So Far





Waterfront Toronto team members prepare to host a game about great public spaces at the Christie Pits Film Festival. Our public consultation work goes far beyond what's legally required for public projects: we engage residents and other stakeholders early, so there's time to truly understand and incorporate their insights to improve the quality and relevance of our projects.

Public Engagement: A Commitment to Transparency & Accountability

Since its creation, Waterfront Toronto has prioritized the role of public consultation in revitalizing the waterfront. We work collaboratively with individuals, communities and our partner organizations across the GTA to generate new ideas, solve problems and meaningfully incorporate the knowledge and lived experience of the public into our planning, policy, and design processes. We believe community engagement must be conducted in a clear, transparent manner that provides all participants with a realistic understanding of the goals of the process, how decisions will be made and the impact of their participation.

Our Guiding Principles Are:

Act with Clarity and Purpose

We act with purpose, communicate our goals with accuracy and we are honest with stakeholders about their impact on the decision-making process.

Commit to an Ongoing Process

We acknowledge that engagement is an ongoing process of dialogue, dissent, consensus building and learning. We continuously evaluate our approaches, maintain a sustained dialogue with our partners and revisit our assumptions to ensure we are achieving our goals.

Support Diversity and Inclusion

We work hard to eliminate barriers to participation and to ensure representative, diverse and inclusive engagement.

Cultivate Collaboration

We recognize that city-building is a shared responsibility that requires coordinated efforts. We are committed to sharing knowledge, decision-making and resources.

Waterfront Toronto Spectrum of Engagement

To keep pace with new standards of engagement, Waterfront Toronto has expanded its approach to ensure that the public is given an even greater opportunity to provide meaningful feedback on projects. In keeping with recognized international best practice, we've recently adopted a spectrum of engagement with categories added for "listening" and "co-creation." These new categories respond to the increasing need for people to be heard and actively involved in the creation of planning and development processes.

We currently plan, deliver and synthesize a range of public feedback opportunities that include: digital surveys, focus groups, advisory committees, community information and feedback sessions, "pop up" community activations, person-on-the-street intercepts, comment walls, questionnaires, townhalls, walking tours, newsletters, dedicated project websites, creative programming, outreach on social media and public roundtables. After every formal community consultation, we report back to participants on how their feedback was incorporated into the overall plans through our meeting summaries, websites, blogs and newsletters.



Core Capabilities

Our mandate lays out a distinct and multi-faceted role for Waterfront Toronto. We work as master planners, master developers, innovation leaders, trusted public stewards and capital connectors. No other organization in the development ecosystem brings together this unique combination of core capabilities.

01

Master Planner / Waterfront Toronto is a leader in city-building. Our integrated approach to planning and design has laid the foundations for successful neighbourhoods, thriving local economies and vibrant public spaces. Design excellence combined with thoughtful planning and an iterative process that involves the public has enabled groundbreaking, win-win solutions in waterfront districts.

02

Master Developer / As a development partner, Waterfront Toronto is uniquely able to work with public officials and regulators to develop innovative solutions that build prosperity while protecting the environment and the public interest. For instance, in the West Don Lands, Waterfront Toronto worked with Infrastructure Ontario and Toronto Region Conservation Authority to find a way to develop River City in concert with flood protection infrastructure—resulting in a vibrant neighbourhood in an area that had previously been closed to development due to flood risks.

03

Innovation Leader / Since its inception, Waterfront Toronto has emphasized innovation. We source and curate leading-edge materials, processes, and technologies—and we apply the most effective solutions to every project delivered on the waterfront. From green building standards that have been recognized internationally to the first ultra-high-speed broadband network in Canada (delivered with our partners Beanfield Metroconnect), we ensure that waterfront developments lead the way.

04

Trusted Public Steward / The backbone of Waterfront Toronto's work is its long-standing commitment to genuine public engagement. As a trusted public steward, we've established the most consultative approach in Canada and we continue to find new ways to bring the public into shaping the future of the city. For example, this year we restructured our approach to public participation around the IAP2 international standard, a recognized best practice for involving the public in an honest, meaningful and effective way.

05

Capital Connector / We are a nimble connector that leverages public resources to attract private investment. Through powerful collaboration across all three orders of government, we use public funds to initiate carefully chosen waterfront revitalization projects, and then convene a broad range of vital partners—regulators, private sector partners, technical experts, non-profit organizations and communities—to ensure those projects reach their full potential economically, socially and ecologically.



Waterfront Toronto has....established both tri-government funding [and] tri-government buy-in. Despite challenges...interviews with funding partners indicate that Waterfront Toronto has developed credibility in delivering waterfront renewal and provided a vehicle for intergovernmental cooperation that would otherwise be absent.

—
Ernst & Young LLP, Independent Performance Assessment
of Waterfront Toronto, 2015

Surveying by the Keating Channel. This work is part of the Port Lands flood protection initiative, which began in December 2017 and is expected to be complete by the final year of this plan: 2023/24. See pages 8-9 and 46-47 for more on this transformative project.



How We Create Value

Since 2001, nearly 50 major developments have been launched in waterfront districts. The combined construction value of these developments is estimated at nearly \$21.5 billion, including several projects that have already been completed, are under construction or are expected to enter the market in the coming years within and near the central and eastern waterfront areas.

Waterfront Toronto's role in the extraordinary growth of development in the previously underutilized lands along the lake unfolds in five key phases:

01

Governments give Waterfront Toronto oversight of the use of public lands.

02

As Master Planner, Waterfront Toronto creates holistic master plans for waterfront precincts, laying the foundations for complete communities where people have everything they need to live, work and play.

03

Given the contaminated, poorly serviced and isolated nature of waterfront lands, Waterfront Toronto shares risk with developers to attract private investment to revitalize the waterfront. In addition to taking the lead on critical infrastructure, we support a range of municipal approvals such as zoning, affordable housing commitments and management of any environmental issues. These enabling activities allow developers to assume the marketing, financing and construction risks.

04

Once the lands have been prepared for development, Waterfront Toronto brings them to market through a competitive process.

05

All Waterfront Toronto development projects have attracted considerable interest from developers and private investors, with returns on public investments typically amounting to multiples of the original outlay.



Fiscal Responsibility and Accountability

Waterfront Toronto is committed not only to the careful and transparent management of public funds, but to continually refining our processes and systems to ensure that we're able to generate the greatest possible public benefit with the resources entrusted to us. Over the next five years, Waterfront Toronto will continue to demonstrate the openness, accountability, fiscal prudence and pursuit of design excellence that have defined our approach from the beginning. This approach has earned us a reputation as leading city-builders with an unwavering commitment to the public good.

Procurement Approach and Record

Waterfront Toronto's procurement policy is designed to be fair, open and transparent. We aim to achieve maximum value for our stakeholders, invite competitive bids and proposals, and ensure accountability for purchasing decisions through well-defined authorization and oversight protocols. Since our founding, we have entered into 2,110 contracts with 782 suppliers, most of whom are in Canada. Information about our procurement history is available on our website.

Culture of Accountability

Waterfront Toronto aims to foster a culture where everyone embraces and stands up for the public-interest mission of our organization. To that end, we have a **Wrongdoing Policy**, which empowers employees and other stakeholders to voice any concerns in areas ranging from unethical business conduct to health and safety violations. In 2016 we appointed an independent, third-party **Accountability Officer** to receive and investigate any such reports. We also have an official **Code of Conduct** that offers guidance to our team in areas such as conflict of interest, ethical decision-making and the handling of confidential information.

Project Planning and Management

Over the last 15 years, Waterfront Toronto has executed about 50 projects, managing a total investment of \$1.3 billion. This entire project portfolio, with the exception of one project, has been delivered without material deviations in either schedule or cost. In 2017, as we embarked on larger-scale projects like the Port Lands flood protection initiative work, we further formalized our approach to project management and oversight with the creation of the **Capital Program Management Office (CPMO)**, which both streamlined and strengthened our policies and controls. The CPMO develops project-oversight dashboard reports that update senior management, board members and the three orders of government on project status and key risk areas, as well as any budget, cost, scope and schedule variations. In the event that a project in process begins to present an increased risk of cost overruns, Waterfront Toronto has clear and effective mechanisms for adjusting its approach to avoid going over budget.

Delegations of Authority

Waterfront Toronto has carefully designed processes to **direct, control and monitor financial actions** taken by our team members. The Board delegates and delimits varying degrees of financial authority to senior management, management and employees in a framework designed to minimize risks and maximize efficiencies in the conduct of our business.

Openness and Transparency

Each December Waterfront Toronto's Board of Directors adopts a publicly released **Corporate Plan** for the upcoming year; our progress is monitored against this plan and reported at least quarterly. At the end of each year we release audited financial statements and an **Annual Report**, which formally reports on our progress against the previous year's plan. In cases where our results differed from our plan, we make this information clear and easy to access.

Audit Environment

Waterfront Toronto operates in a rigorous audit environment:

- **External audits.** In keeping with legislation, Waterfront Toronto's year-end financial statements are audited annually; we've had 16 such audits since our inception.
- **Internal audits.** In addition to required audits, soon after its creation Waterfront Toronto adopted the best practice of voluntarily undergoing regular, outsourced internal audits. Since 2004, we've undergone 19 audits focusing on areas of our operations ranging from procurement to project management to cybersecurity.
- **Government audits.** As part of their oversight role, the three governments perform regular audits and performance reviews of Waterfront Toronto. To date, governments have audited us on 16 occasions.

In all, over the last 15 years, Waterfront Toronto has been the subject of over 50 audits; we've used their findings to steadily strengthen and enhance our fiscal responsibility and accountability practices.

Governance and Oversight

As a tri-government organization, Waterfront Toronto is fully accountable to the governments of Canada, Ontario and the City of Toronto. A number of oversight bodies shape the work of Waterfront Toronto.

- **Our Board of Directors**, which includes members appointed by all three orders of government (see p.37), guides our strategy, authorizes our investments and appoints our CEO.
- **The Intergovernmental Steering Committee**, composed of senior officials from the three orders of government, is a forum where

Waterfront Toronto and senior government stakeholders can strategize and exchange information on waterfront revitalization.

- **Government waterfront secretariats**, composed of dedicated staff at each of the three governments, provide operational oversight and support in the delivery of our mandate.

Expert Insights

Waterfront Toronto is proactive in ensuring that our work is guided by field-leading experts and aligned with best practices.

The Capital Peer Review Panel engages some of the industry's top experts in specific industry areas—such as infrastructure, project execution, and audit—to offer advice on project and program risks in developing, procuring, and implementing large projects and programs.

The Digital Strategy Advisory Panel is an arm's-length body tasked with providing Waterfront Toronto with objective, expert advice on the responsible use of data and technology across all waterfront projects, including Quayside. It provides insight on ethics, accountability, transparency, protection of personal privacy, data governance and cyber security.

The Design Review Panel includes some of Canada's leading experts in architecture, landscape design, engineering, and planning, and draws on their insights to support design excellence in waterfront precincts.

The Independent Capital Project Monitor (new in 2018) supports the Finance, Audit and Risk Management Committee of the Board in its project risk oversight role on the Port Lands flood protection initiative.

Board & Committees

Waterfront Toronto's Board of Directors is made up of 12 members, including a chair, jointly appointed by the three orders of government. Our directors are highly engaged in the corporation's activities and ensure that our mandate is delivered in an accountable and transparent manner. As of December 6, 2018 our Board has two vacancies.

Helen Burstyn, CM

Chair of the Board
of Directors, Managing Director,
Crescent Investment Partners

Mohamed Dhanani

Special Advisor to the President,
Ryerson University

Stephen Diamond

President and CEO, DiamondCorp

Meric Gertler

CM FRSC MCIP FAcSS FBA

President, University of Toronto

Susie Henderson

North America Leader, Infrastructure
Investment & Economics GHD Advisory

Mazyar Mortazavi

President & CEO, TAS

Michael Nobrega

Former President and CEO,
OMERS Administration Corporation

Sevaun Palvetzian

CEO, CivicAction

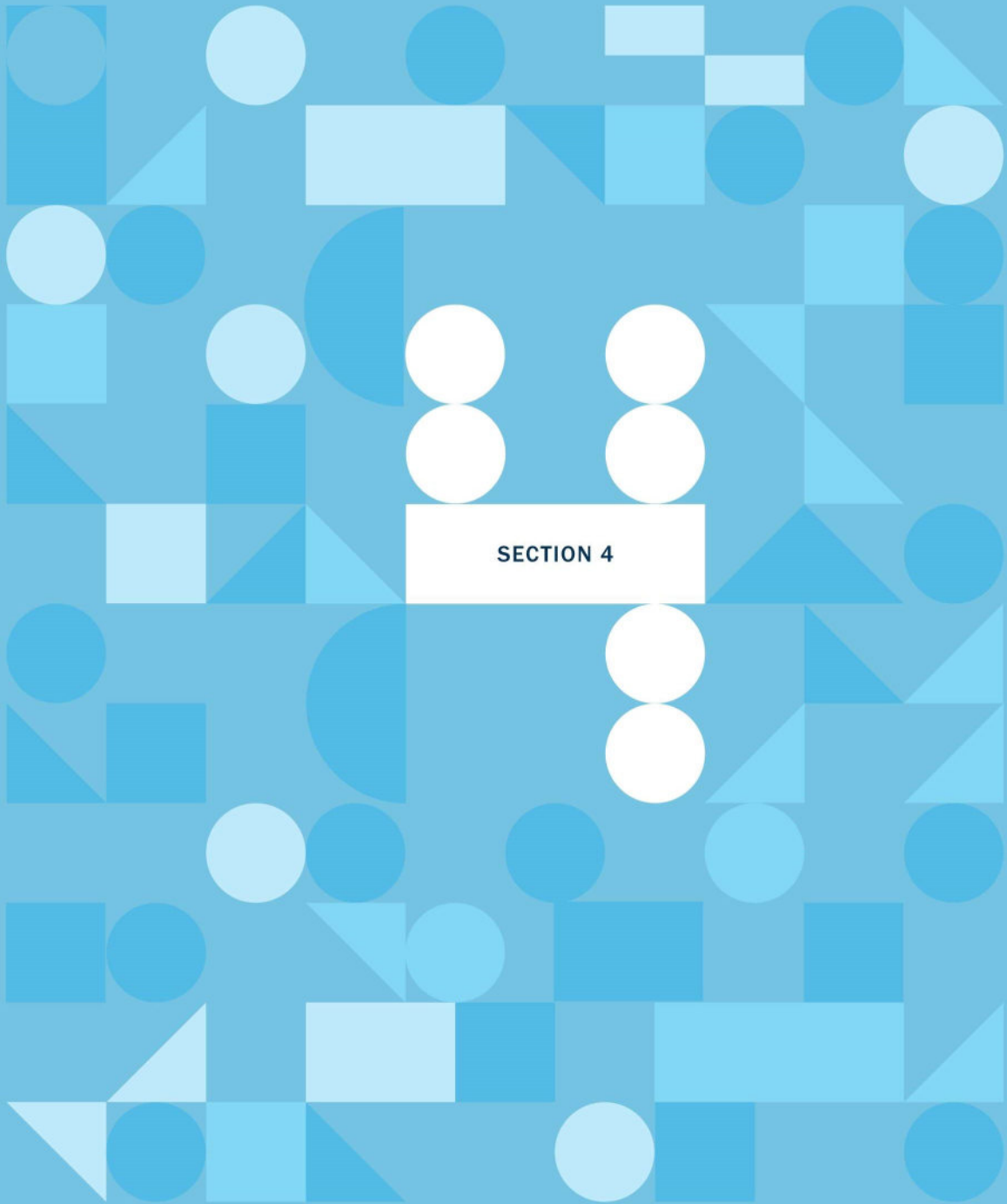
Janet Rieksts-Alderman

Managing Director, BRG's
Global Capital Projects

Jeanhy Shim

President and Founder,
Housing Lab Toronto

	Finance, audit & risk management committee	Stakeholder relations committee	Chairs committee	Investment, real estate, & Quayside committee
Mandate	Financial reporting, audit, enterprise risk management, and project risk management	Public engagement, communications, partnerships	Human resources, government relations, governance	Quayside, development projects, and real estate transactions
Chair	Janet Rieksts-Alderman	Sevaun Palvetzian	Helen Burstyn	Susie Henderson Mazyar Mortazavi
Other members	Susie Henderson Jeanhy Shim	Mohamed Dhanani Meric Gertler Jeanhy Shim	Susie Henderson Mazyar Mortazavi Sevaun Palvetzian Janet Rieksts-Alderman	Stephen Diamond Meric Gertler Michael Nobrega



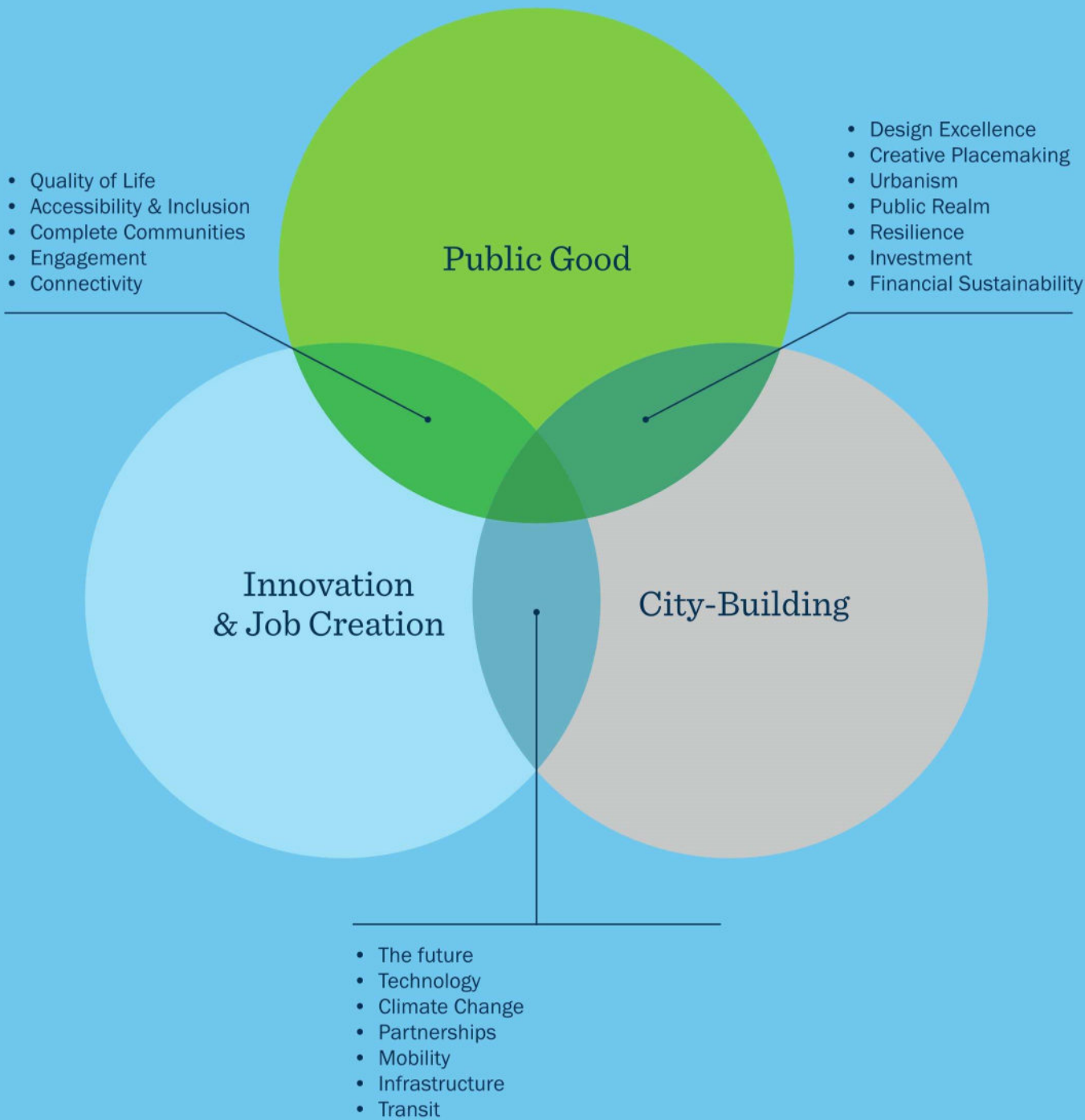
SECTION 4

Since Waterfront Toronto was created, we've delivered more than four dozen capital projects on the lands along the lake—transforming almost 100 hectares of underutilized space into active urban places. Although our projects are diverse, they're all powered by our expertise in city-building, our focus on innovation and job creation and our unwavering commitment to the public good.

This section summarizes the projects we plan to deliver over the next five years. Some are already underway. Others will break ground during the life of this plan. And still others are areas of new potential—ideas and possibilities we intend to explore with our stakeholders and the public as we continue to work together for a vibrant, prosperous, and connected waterfront.

Our Core Commitments

Enhancing the Social, Economic
and Cultural value of the waterfront





Waterfront Toronto has built a reputation for creating public spaces that quickly become local favourites. The key ingredient of projects like Sugar Beach (above) and Corktown Common (right) is thoughtful design informed by meaningful public consultation.



Our Strategic Priorities

Over the next five years, Waterfront Toronto will advance four strategic priorities that build upon our mandate and explore the potential of the waterfront to not only build prosperity and enhance life in Toronto, but to contribute to the urgent global conversation about how to create better cities. Three of these priority areas are long-standing and foundational to our organization and mandate:

01

City-Building / Already a thriving and diverse global centre, Toronto remains one of the most exciting city-building opportunities on earth. Over the next five years we are delivering initiatives that address core issues such as affordability, mobility and connectivity, sustainability and the resilience of the built environment.

02

Public Good / At the heart of everything Waterfront Toronto does is an unwavering commitment to public good, which is reflected in our vision—one connected waterfront that belongs to everyone—and in our strong focus on public engagement. We work hard to be transparent and accountable, while actively seeking public input to ensure that we’re improving quality of life and the well-being of people and communities across every project we deliver.

03

Innovation and Job Creation / We are part of a worldwide community of practice that’s using cutting-edge building methods, groundbreaking urban design, talented people and emerging technology to provide critical infrastructure and to support more sustainable ways of living. Through smart planning and effective partnerships, we’re creating more jobs and unlocking the enormous economic value of the waterfront.

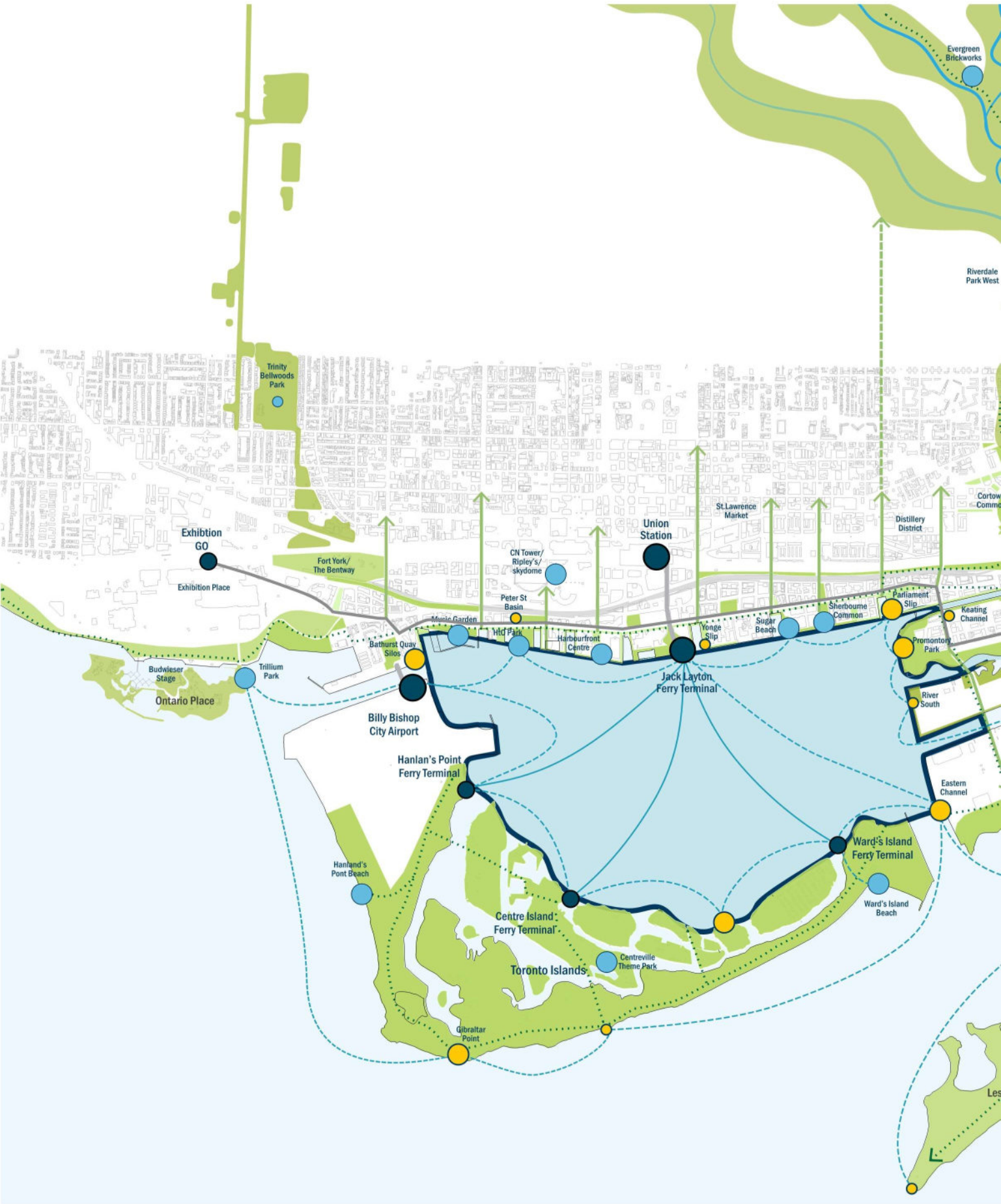
During our 2019–2024 planning horizon, we will pursue a fourth, enabling priority in order to build our capacity to pursue the three priorities just described.

04 Enabler

Financial sustainability / Over this next phase, Waterfront Toronto will pursue new partnerships and philanthropic support. We will foster new collaborations to advance our city-building mission, to engage new partners in waterfront revitalization and to benefit the public—all while diminishing our reliance on government investments.



The revitalized Queens Quay is the first route in Toronto whose design aligns with the City's Complete Streets Guidelines. Complete streets are carefully planned to be safe for everyone: people of all ages and abilities, and people who walk, bicycle, take transit, or drive.



More Connections to More Destinations

Our vision is one connected waterfront that belongs to everyone. Successful waterfronts around the world tend to share at least one key ingredient: waterfront promenades that connect people to great places and activities. Toronto's waterfront already has some elements of a great promenade: boardwalks, bike paths, parks and ferry service to the Toronto Islands. But connectivity around and across the harbour remains limited.

The goal of the next five years is to leverage the framework of connections around the harbour as a foundation for longer-term evolution. All of the projects outlined in this five-year strategic plan are oriented toward filling in gaps in the ring of destinations and connections that surround the harbour—whether by creating new parks, equipping emerging neighbourhoods with high-quality infrastructure, expanding the potential for travel on land or across the water, or creating inviting new destinations. These new projects will move Toronto's waterfront to the next level of revitalization, unlocking its potential and affirming Toronto's position as a leader in city-building, urban design, sustainability, resilience and quality of life.



DESTINATIONS

- Existing
- Emerging/Future

CONNECTIONS

- Inner Harbour Loop (Proposed Enhanced Pedestrian Access)
- Existing Transit Hub
- Existing Ferry System
- - - - Potential Waterborne Transportation Routes
- · · · · Waterfront Trail System

The Port Lands / Flood Protection for Prosperity, Resilience and Sustainability

The Port Lands flood protection initiative is our single largest target for investment over the next five years, and an urgent contribution to the prosperity and well-being of Toronto. First, this work will protect a large number of existing assets from flooding: affected areas include parts of Leslieville and South Riverdale. Second, it will create prosperity by unlocking the development potential of 290 hectares of prime land; this area has been previously unavailable for development due to its extreme vulnerability to flooding. And third, it will improve the natural environment around the Don River and create new opportunities for residents and visitors to connect with nature, wildlife and the lake.

Our work in the Port Lands involves extensive soil remediation and earthmoving work around the mouth of the Don River, which will dramatically enhance the area's resilience to extreme weather. Projections indicate that a \$1.25 billion public investment in flood protection—made jointly by the governments of Toronto, Ontario and Canada—will add \$5.1 billion in economic output to the Canadian economy, create 51,900 full-time years of employment and generate \$1.9 billion in government revenue. The Insurance Board of Canada has stated that these investments in flood protection “will make this community safer for residents and stronger for economic growth.”



PAST: In June 2017, the municipal, provincial and federal governments affirmed a shared \$1.25-billion public investment in the Port Lands flood protection project. Since that time, Waterfront Toronto has undertaken planning and design work, tested methodologies for soil remediation, and analyzed engineering techniques for the ambitious earthmoving initiative.



PRESENT: Work on Cherry Street Lakefilling began in 2017, including lakefilling, marine landscaping and dockwall reconstruction. In early 2018 we undertook survey work to inform final designs and the construction approach, as well as demolition and site preparation. Excavation and soil remediation will begin in the winter of 2018–19. We will also work to finalize designs for the streets, bridges, parks and other infrastructure that will serve the future Villiers Island community and connect it to the mainland.



FUTURE: Over the next five years, the area around the mouth of the Don River will be transformed. The foundations for development of new places to live and work on Villiers Island will take shape—including new transit connections and cycling facilities. New parks and natural habitats will connect the Port Lands to a 195-hectare network of greenspaces through the GTA's ravine system. The project will be complete in the final year of this plan: 2023/2024.



[F]lood protection radically alters the river's environmental health, as well as the linear industrial geography of the Port Lands and therefore the destiny of the city. It is a project for the ages that will deservedly draw the attention of the world's great cities.

—
John Lorinc, Spacing Magazine, June 29, 2017



Waterfront Toronto is truly walking the talk on how to build a healthy, sustainable neighbourhood. Their significant infrastructure investments and world class parks and public spaces are making East Bayfront Toronto's next great district. We're thrilled to have been able to work with Waterfront Toronto on our 'City of the Arts' community and we're looking forward to moving our Head Office into this vibrant new neighbourhood."

Mitchell Cohen, President and CEO Daniels Corporation

Complete Communities / Planning and Partnering to Build Strong Foundations for New Neighbourhoods

Through careful planning and effective partnerships, Waterfront Toronto optimizes the use of large parcels of land available for development along the waterfront. We work as master planners, developing detailed precinct plans that ensure new neighbourhoods include the supports and amenities people and businesses need to thrive over time. In addition to housing and commercial space, new waterfront neighbourhoods benefit from high-quality infrastructure, services like child care and elder support, and transportation links to the rest of the city. After developing comprehensive plans for smart development, we partner with developers, businesses, community agencies and governments to bring the plans to life.

This plan anticipates \$186 million in investments toward the planning and development of complete communities along the lake. Notable projects that are underway today or expected to commence over the next five years include the development of a complete-community plan for the neighbourhood that will eventually exist on Villiers Island; extending the Queens Quay revitalization work eastward to Parliament Street; completing infrastructure such as roads, stormwater systems, and dock reinforcements for the new Bayside and Dockside neighbourhoods; and further extending (through Bayside) the Water's Edge Promenade—a walkway that's substantially increasing public access to the water while improving mobility along the shore.



PAST: Waterfront Toronto has laid the foundations for several thriving neighbourhoods—like East Bayfront (22.3 hectares) and the West Don Lands (32 hectares; see pages 6-7). We've also laid important groundwork on waterfront transit: completing environmental assessments for transit to East Bayfront, the West Don Lands and the Port Lands, and collaborating on transit planning with the City of Toronto, the TTC and other agencies.



PRESENT: Today we're working with development partners to obtain municipal approvals and building permits for several new residential buildings, including a \$200 million, 296,000 square foot mixed-use development with Anishnawbe Health Toronto that includes a community health centre, a hotel and purpose-built market rental units. Meanwhile, an earlier collaboration is coming to fruition as Monde, a \$320 million, 476,000 square foot residential building designed by Moshe Safdie, prepares for occupancy in early 2019.



FUTURE: The completion of key infrastructure including sewers, pipes, and a new Sanitary Pumping Station are important parts of our work in the near term. More broadly, we'll continue working with our partners to realize holistic visions for waterfront neighbourhoods. For instance, the Waterfront Innovation Centre, part of a growing technology corridor by the lake, began construction in 2018; we're beginning to work with our development partner Menkes to manage leasing arrangements for this innovative facility.

The splashpad at Corktown Common. The park is an active, year-round gathering place in the West Don Lands neighbourhood.

Public Places / Inviting Parks and Destinations That Connect People and Neighbourhoods

Waterfront Toronto creates great parks and public spaces that respond to local needs and strengthen the broader urban fabric by connecting communities with their neighbours, including across potential barriers like underpasses and rail lines. Guided by meaningful public consultation and a strong commitment to design excellence, our parks have not only earned numerous awards but quickly become beloved local gathering places. The strength of our record on public spaces has also attracted new partners and supporters. For example, as community groups, philanthropists and the City of Toronto began to conceive plans for The Bentway, they decided to engage Waterfront Toronto for help realizing their vision for this innovative linear park based on the success of public spaces we'd created in other waterfront districts.

Our current five-year strategy allocates a total of \$56 million for work on public places. This funding will go toward completing work on two new waterfront parks—York and Rees Street Parks, which will add a combined 1.74 hectares of green space near an increasingly populated stretch of Queens Quay—and toward the substantial completion of the construction of The Bentway's pedestrian and cycling bridge. This funding envelope will also support the completion of enhancements to the Jack Layton Ferry Terminal; we're creating a more appealing and functional entrance plaza that's better able to accommodate growing traffic at the facility. This phase of work is fully funded and we're on track to complete it over the next year. We've also developed a vision for a more extensive modernization of the ferry terminal, a separate phase of work that's currently unfunded (see "New Potential" on page 53).



PAST: To date we've created or improved 25 hectares of parks in waterfront districts. Our projects have included Sherbourne Common, Corktown Common, The Bentway, Sugar Beach, extensive improvements to the Martin Goodman trail, among many others.



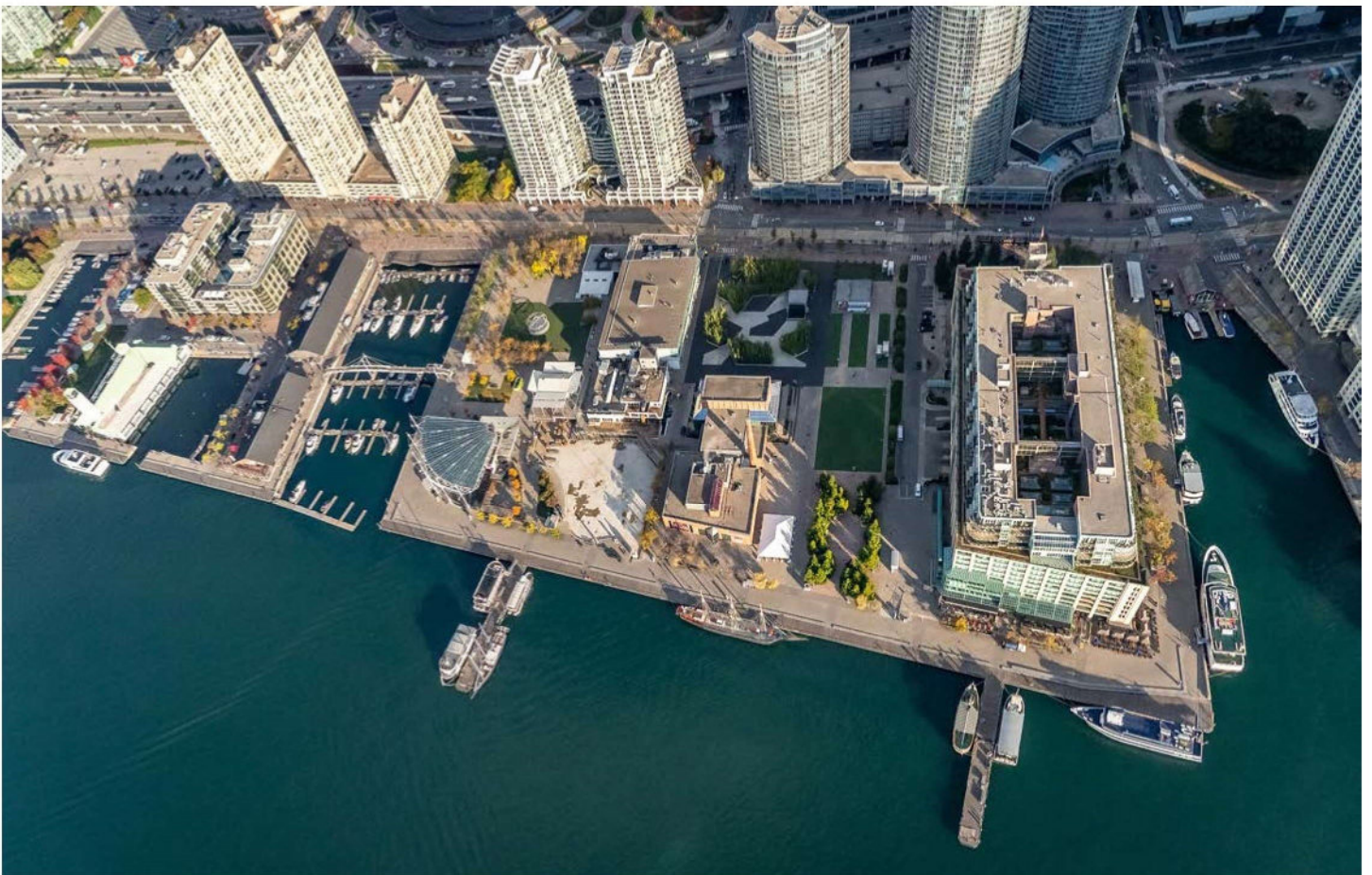
PRESENT: This year we held successful design competitions for the York and Rees Street Parks, selected successful designs, and started work on creating these badly needed green spaces. We are also poised to complete planned enhancements to Jack Layton Ferry Terminal.



FUTURE: Over the next five years, we'll continue to roll out our internationally recognized public art program and respond to partnership requests on new parks and promenades. We also hope to engage partners and supporters to realize new public places by the lake (see New Potential sections on pages 52–55) that will further enhance mobility and public enjoyment along the waterfront.

RIGHT: Underpass Park, a Waterfront Toronto project, was featured in a 2017 exhibition at New York’s Cooper Hewitt Smithsonian Design Museum that focused on inclusive city-building. The curators chose this as an example of collaborative design that responds to community needs.

BELOW: Waterfront Toronto’s public realm work is strengthening connections around the harbour in many ways—with increased pedestrian access, new parks that make the landscape more inviting and improved marine infrastructure to support waterborne transportation.





New Potential

Public Places / New Potential

NEW POTENTIAL / An opportunity to boost mobility and enhance greenspace

Jack Layton Ferry Terminal and Harbour Square Park.

Robust ferry systems define cities like Stockholm, Sydney and San Francisco. They link visitors to destinations, workers to jobs and residents to the region. In Toronto, the Jack Layton Ferry Terminal serves an important but limited function: it is constrained by the size of the ferries and the terminal structure. Built in 1972, the current terminal is increasingly stressed by the growing demand for trips to the islands—and expanding service cannot be easily supported. In partnership with the City of Toronto, Waterfront Toronto launched an international design competition to establish a compelling vision for an expanded Jack Layton Ferry Terminal and the park surrounding it. In collaboration with City of Toronto Parks, Forestry and Recreation division, Waterfront Toronto plans to study potential funding and financing models that could realize this vision while limiting the demands on municipal funding.

NEW POTENTIAL / A continuous walkway that connects people and places

Waterfront Walk. Our work to date has already dramatically expanded the number of places where people can reach the water's edge: on promenades, on playful structures like the WaveDecks at Queens Quay, or on the nearly six kilometres we've added to the Martin Goodman Trail. One of our most exciting opportunities over the next five years is to close the gaps in this growing series of lakeside pedestrian routes: to lead the design and construction of a continuous Waterfront Walk, running from the Portland Slip in the West to the Parliament Slip in the East. This cohesive promenade along the water's edge would make the shore even more active and inviting, and would help the waterfront as a destination continue on its evolution toward becoming vastly more than the sum of its parts. We've already conducted preliminary research on exceptional waterfront promenades in cities around the world. When we invited the public to identify what the top priorities for Toronto's future waterfront should be, a continuous promenade was the top answer, with over 44% of respondents prioritizing a better connected waterfront. Over the course of this plan we will pursue discussions with relevant public agencies including City of Toronto Parks, Forestry and Recreation and other potential partners about how to work together to realize this vision.

A continuous Waterfront Walk would offer pedestrians an unbroken route along the downtown lakeshore, dotted with destinations to pause and enjoy—like this candy-striped granite rock at Canada's Sugar Beach, near the foot of Jarvis Street.

Public Places / New Potential (continued)

NEW POTENTIAL / A destination playground for fun and healthy development

Destination playgrounds, immersive play environments for children that emphasize engagement with local ecosystems, are increasingly popular in urban regeneration movements. Their attraction is explained partly by a growing body of evidence affirming that nature play can have a powerful positive effect on children's health and development. Notable examples of the destination playground form include a facility in Christchurch, New Zealand, a cornerstone of the city's recovery plan after the 2011 earthquake, and Maggie Daley Park in Chicago. Waterfront Toronto envisions a 3.6-acre destination play area with distinct zones tailored to children at different developmental stages—and we see clear potential to begin working toward this vision over the life of this strategic plan. The City of Toronto Parks, Forestry and Recreation division is keenly aware of the value of—and the public's interest in—the destination playground model; we're collaborating to explore bringing a unique version of the form to Toronto. Waterfront Toronto and the City of Toronto will work together to seek alternative funding to create a new favourite place for children by the lake.

NEW POTENTIAL / A distinctive structure to anchor and animate the surrounding public realm

Signature structure. Exceptional waterfronts often feature unique structures that become icons of their cities. The best of these structures—the Sydney Opera House is a prime example—come to define their waterfronts, anchoring local economic and cultural activities while communicating a unique identity to the world. There are several waterfront sites that have the visibility and scale suitable for a signature building or structure that would provide a magnetic gathering place, activate the surrounding public realm and catalyze new economic clusters. Over the next five years, Waterfront Toronto plans to assess the potential for a signature structure on the waterfront: consulting the public and potential partners to determine the appetite for such a project, what form it might take and where financial capacity might exist to bring it to life. One possibility for a landmark structure could be an innovative sustainable building that houses a centre of excellence in a distinct field or discipline—for instance, in the growing ecosystem of science, biomedical, environmental, human and social sciences. This site could be an architecturally significant building that also showcases Canadian leadership in an important area. Other possibilities—such as bridges or unique connective structures—could perform a different role but make important contributions to the dynamism and connectedness of the waterfront.



A rendering of one possible approach to the Destination Playground project at Promontory Park (see facing page for project description), a new park planned for the western tip of Villiers Island.



Next-Generation Sustainable Communities / Working at the Intersection of Green Innovation and Inclusive City-Building

Waterfront Toronto has a record of innovation when it comes to new neighbourhoods along the lake. A decade ago we introduced Minimum Green Building Requirements to ensure that new developments on the waterfront would lead the way on sustainable design; these standards have since won international awards and been recognized as a landmark in Toronto's evolution toward a greener built environment. In 2005 we created Toronto's first independent design review panel, gathering leading experts and city-builders to ensure that waterfront revitalization projects would work together to create beautiful, visually coherent neighbourhoods along the lake. Today, at Villiers Island, a new Port Lands district currently in its planning stages, we're striving to create one of the world's first climate-positive neighbourhoods.

Quayside is our most recent exploration of what an innovative community by the lake can be. The neighbourhood has the potential to create a precedent-setting approach to building sustainable, inclusive and prosperous communities. Building on the strength of Toronto's already-thriving tech sector, Waterfront Toronto is also working to create a global hub for a new industry focused on urban innovation—an emerging field that is capable of developing smart, scalable ideas to improve the quality of city life not only in communities across Toronto but in urban centres around the world. Waterfront Toronto's partnership with technology and other firms is just one example of what's possible for Waterfront Toronto as the corporation explores new ways to leverage advanced materials, entrepreneurship, intellectual property and partnerships to draw new revenue models and funding channels.

The Waterfront Innovation Centre, a 350,000 square foot office and retail facility now under construction at 125 Queens Quay East. According to Urban Toronto, this Menkes development, the majority of its space already leased, will "support the emergence of East Bayfront as a prime waterfront live-work-play community within minutes of Union Station."



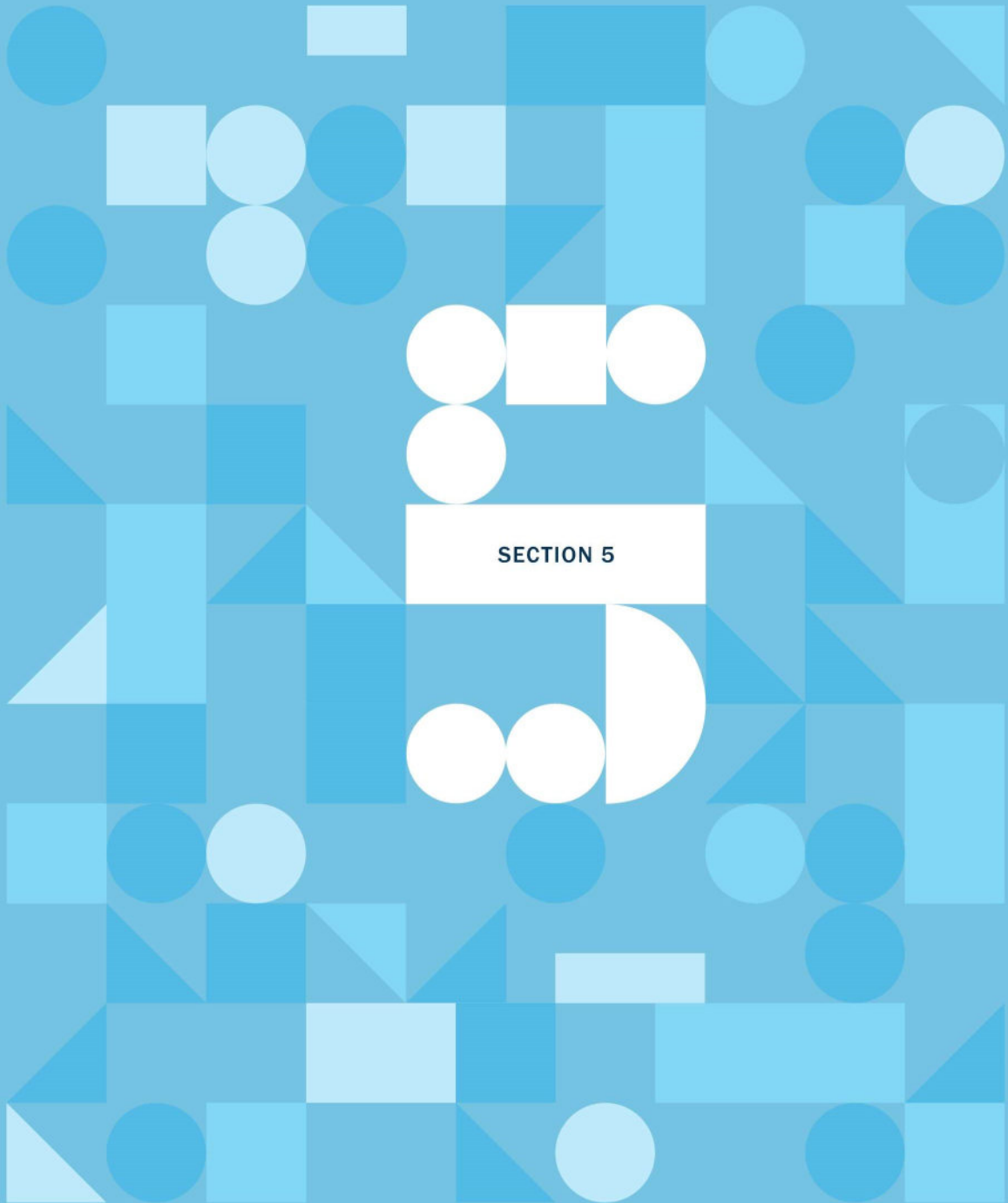
PAST: Innovation and sustainability have been central to Waterfront Toronto's city-building approach from our earliest projects. Indeed, our Minimum Green Building Requirements helped inform the standards that are now used across the City of Toronto.



PRESENT: We recently launched a new Resilience and Innovation Framework for Sustainability, the next chapter in our continually evolving approach to green city-building. We're also working with Sidewalk Labs to explore the possibilities of a community where advanced technology supports the outcomes—economic, social, and environmental—that matter to Canadians.



FUTURE: Waterfront Toronto will receive a Master Innovation and Development Plan (MIDP) from Sidewalk Labs early in 2019, proposing an approach to the revitalization of Quayside. We'll consider this plan against our established evaluation criteria, and in consultation with government stakeholders and the public. We expect to issue a decision on whether to proceed with the plan by the end of 2019. If our Board of Directors approves the plan, we'll begin work on implementation agreements amid continued consultation with all stakeholders. Implementation would be subject to municipal approvals, as well as federal and provincial regulations.



Waterfront Toronto has a record of achieving strong results with the public resources entrusted to us and of managing public investments with efficiency and transparency. This section presents an overview of the resources that will fuel our work over the next five years, and lays out the capital investments we expect to make as we deliver the next phase of waterfront revitalization. The pages that follow also outline some of the structures that guide our work—such as our risk management framework and our performance measurement system—and help us to ensure that our organization is positioned for resilience, accountability and success.

Business Model and Funding

This strategic plan covers the period from April 1, 2019 to March 31, 2024. Over the next five years Waterfront Toronto anticipates government funding contributions totalling roughly \$1.1 billion and land contributions in kind totalling \$86 million, as well as \$92 million in revenues from sources such as leases and land sales, for a total of approximately \$1.3 billion from fiscal 2019/20 through 2023/24.

Waterfront Toronto will invest this funding in key infrastructure related to its priority initiatives: The Port Lands flood protection initiative (\$1.0 billion), Complete Communities (\$186 million), Public Places (\$56 million), Next-Generation Sustainable Communities (Quayside) (\$10 million) as well as Strategic Initiatives and Other, such as office space, technology, and capacity, required to deliver these projects (\$24 million). These planned investments total approximately \$1.3 billion. Investments across these project areas support Toronto City Council-approved precinct plans and have been articulated in our past business and implementation plans.

We anticipate that these investments of public funds will yield returns that considerably exceed the original outlay. To date, through the business model described on pages 32 and 33, the \$1.2 billion in public funds invested in our work have stimulated over \$10 billion in new private-sector investment. Details on the economic benefits of our work are detailed in the Performance Measurement section on page 67. Key project milestones associated with our investments over the next five years, as well as financial plan details, are outlined in Appendix 1, which focuses on the next fiscal year (2019/20), and Appendix 2, which focuses on the full five-year planning horizon (2019/20-2023/24).

Our access to a \$40 million credit facility is a key financial foundation of this strategic plan, which optimizes the use of cash throughout multiple project lifecycles. This is an important capability because the timing of the funding and/or revenues we receive and the infrastructure investments we need to make do not always coincide. Waterfront Toronto will continue to use our borrowing access responsibly, with full accountability to governments.

5-Year Outlook

Waterfront Toronto has already received funding commitments from governments for the work described above: the Port Lands flood protection initiative, and the continuation of approved projects related to Complete Communities and Public Places (see pages 48 to 51). By the conclusion of our five-year planning period in 2023/24, we expect these projects to be 98% complete.

In addition to our core, funded projects, we've identified four new initiatives that are consistent with our mandate and for which we see considerable potential for new partnerships and private philanthropic support. Three of these projects (Destination Play, Waterfront Walk, and Jack Layton Ferry Terminal and Harbour Square Park) would fall under our “public places” project portfolio; the fourth (Signature Structure) would be a potential anchor for a complete community and economic cluster. The realization of these projects would require \$400 million over ten years. While the four “New Potential” projects are currently unfunded, our plan is to source initial new funding to complete initial business cases and feasibility studies prior to proceeding further.

Waterfront Toronto plans to develop new capacity in fundraising and partnerships beginning in fiscal 2019/20. A vital first step in this work was realized in 2017 when we obtained Qualified Donee status from the Canada Revenue Agency under the Income Tax Act. This new status will enable us to work alongside our partners at the City of Toronto to connect with the growing number of institutions and private donors who are enthusiastic about directing philanthropic investments toward civic placemaking projects and the public realm. We'll undertake this new partnership and philanthropy work based on shared values and principles, and with the aim of developing an appropriate funding/fundraising model that diminishes our reliance on government funding and realizes new opportunities that advance our mission.

The five-year outlook summarized in this document may change; any revisions to the funding and investment mix expressed in this strategic plan will be reflected in future documents, including the one-year plans that we'll continue to publish annually. The next such corporate plan is forthcoming in December 2019. The areas Waterfront Toronto understands to be most subject to change include:

- *Implementation of Quayside MIDP.* This Rolling Five-Year Strategic Plan is currently limited to the evaluation of a Master Innovation and Development Plan (MIDP). The implementation of the MIDP and the approval by Toronto City Council of a Business and Implementation Plan are not reflected in this plan as they are not yet defined.
- *Waterfront transit.* Government plans are not finalized, and therefore our potential planning and coordination role in the delivery of transit by the lake is uncertain.
- *Villiers Island implementation.* Similar to Quayside, a Business and Implementation Plan will be required for the new neighbourhood on this city-owned parcel of land and will also be subject to approval by Toronto City Council.

Five-Year Investment Plan

Complete figures underlying this visualization of our planned investments over the

	2019/2020	2020/2021
Strategic Initiatives/Other	\$5.6	\$5.1
Public Places: York & Rees Street parks, public art, ferry terminal upgrades, The Bentway	\$13.2	\$12.0
Complete Communities: master planning, civic infrastructure, and environmental work	\$50.8	\$51.3
Next Generation Sustainable Communities: master innovation and development plan for Quayside	\$10.4	
Port Lands: flood protection and related infrastructure	\$245.1	\$264.7
New Potential: currently unfunded; see pages 52 to 55		\$9.8
Total Investment Plan	\$325.1	\$342.9

The next five years are in Appendix 2.

Figures are in millions

2021/2022	2022/2023	2023/2024
\$5.3		
\$17.6	\$5.0	
\$48.4	\$10.6	\$3.4
	\$23.3	\$2.6
		\$12.2
\$224.6	\$171.7	\$108.6
		\$97.3
\$29.5	\$69.0	
\$325.4	\$279.6	\$224.1

Corporate Operating Costs

Waterfront Toronto acts as a project delivery agent for the three orders of government. The responsibilities and obligations of each government and of Waterfront Toronto are defined under contribution agreements or delivery agreements that cover specific projects and initiatives. Under these agreements Waterfront Toronto is typically contracted to plan and build municipal infrastructure assets; once these assets are complete, they're transferred to the City of Toronto to own and maintain.

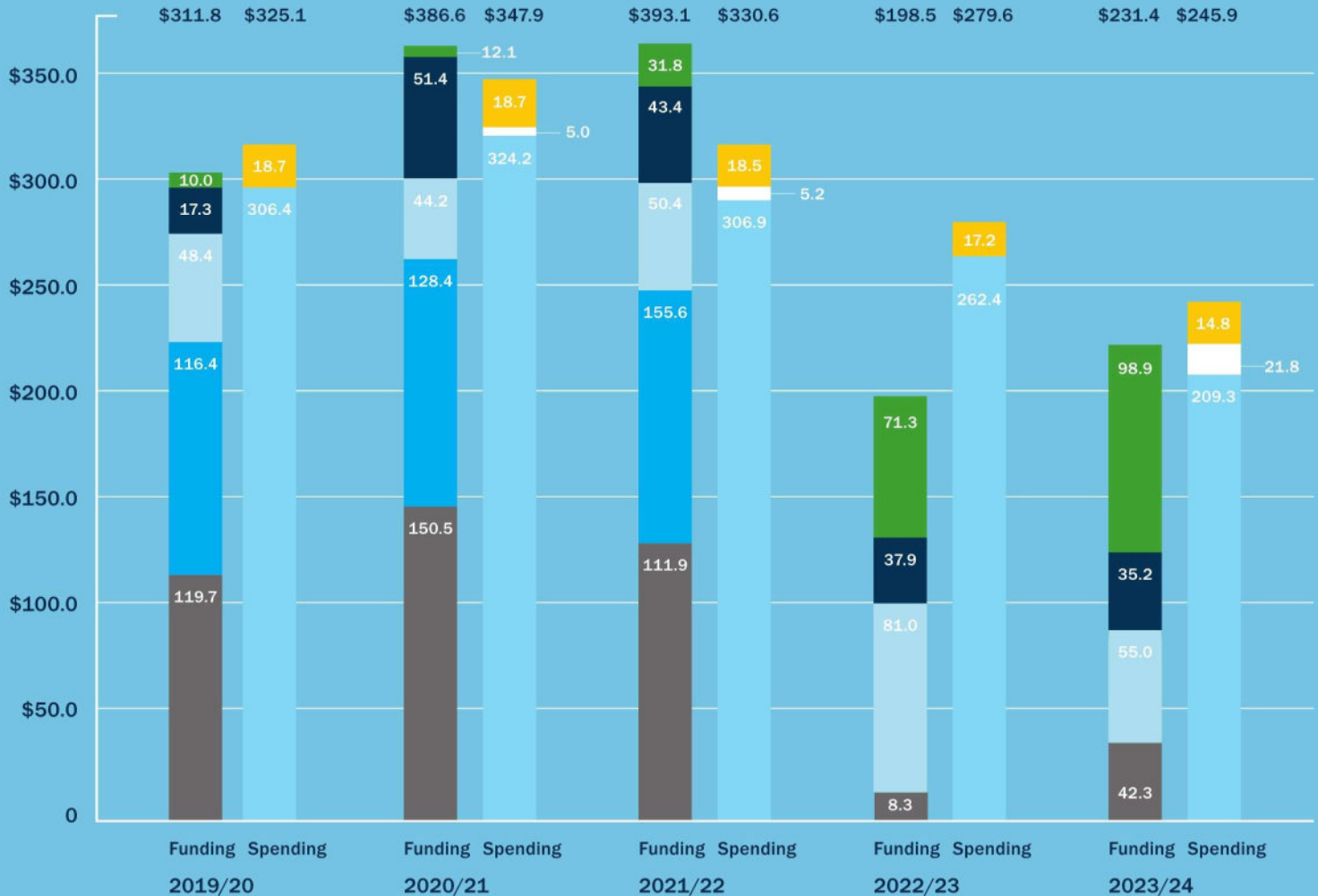
In carrying out this role, Waterfront Toronto incurs corporate operating costs related to our staff team and contractors, office space, technology (basic office tools as well as specialized project management and financing software), communications (which includes public engagement activities such as town halls, as well as outputs like our website and annual reports), and transparency and accountability (for instance, internal and external audits and fees for experts on our oversight bodies such as the Capital Independent Monitor for the Port Lands and the Design Review Panel).

These expenditures, which directly support the projects Waterfront Toronto delivers, represent about six percent of the total direct capital expenditure under our management. In the past, the costs associated with Waterfront Toronto's project delivery work have not been fully covered through our funding agreements with governments and the shortfalls have been covered from revenue streams, such as land sales and property rental income. One objective of this plan is to move toward funding arrangements in which Waterfront Toronto can recover the full project management costs required to achieve the results governments task us with delivering.

Corporate Operating Costs	2019/20	2020/21	2021/22	2022/23	2023/24
Operating Expenditure (OpEx)	\$ 18.70	\$ 18.70	\$ 18.50	\$ 17.20	\$ 14.80
Capital Expenditure (CapEx)	\$ 306.40	\$ 324.20	\$ 306.90	\$ 262.40	\$ 209.30
Total Expenditures	\$ 325.10	\$ 342.90	\$ 325.40	\$ 279.60	\$ 224.10
% OpEx of CapEx	6%	6%	6%	7%	7%

Figures are in millions

Waterfront Toronto's funding and spending mix 2019/20–2023/24



Figures are in millions

The chart above summarizes Waterfront Toronto's funding and expenditure mix over the next five years. The visualization illustrates:

- that the vast majority of our planned expenditures are direct capital investments (94%)
- our strategic objective of diversifying our funding sources beyond governments
- planned expenditures that are currently unfunded are mainly all “New Potential” projects
- the planned creation and maintenance of a contingency reserve of at least \$25 million. We intend to use funds from the sale of Waterfront Toronto-owned land to create this fund, and hold the resources in reserve as a program level contingency and to cover any costs (e.g. those associated with ending lease agreements and other contracts) that may arise in the eventual completion and/or cessation of our mandate.

Resilience, Risk Management, and Accountability

Waterfront Toronto navigates a complex business environment in order to implement its revitalization work, which involves a range of major infrastructure projects, as well as diverse partners and stakeholders. This business environment presents a number of significant risks associated with individual capital projects, as well as those that affect the entire enterprise.

We manage and mitigate these risks by applying an Enterprise Risk Management (ERM) framework developed by the senior management team and internal committees, and approved and overseen by our Board. The overall objective of the ERM framework is to ensure that Waterfront Toronto can identify and mitigate key risks associated with the Corporation's ability to achieve its strategic objectives.

The ERM framework applies the widely used "three lines of defence" approach to risk management and control, assigning clear roles and responsibilities to:

- 1.** risk owners (in particular, the project and financial managers) who execute projects and operational functions on a day-to-day basis;
- 2.** entities that oversee risk, including the Corporation's Enterprise Risk Taskforce, Program Management Office, and Technical Advisory and Peer Review Panels; and
- 3.** assurance mechanisms, such as Waterfront Toronto's internal audit function and independent capital monitor role, both designed to ensure that risk management systems and controls are working effectively.

The first two lines are directly accountable to Waterfront Toronto's senior management. The third line is accountable to the Board and the Finance, Audit, and Risk Management Committee, as well as to senior management. This separation of roles not only enhances accountability by clarifying responsibilities, it helps to reveal and address blind spots to ensure that Waterfront Toronto is proactively identifying and managing risks.

Measuring Waterfront Toronto's Performance

Performance measures have been in place at Waterfront Toronto for a number of years to assess our economic, social and environmental achievements in relation to our mission and mandate. We report on our performance regularly through annual reports and our Corporate Social Responsibility reporting, which uses Global Reporting Initiative (GRI) guidelines—global best practice for reporting on a range of economic, environmental and social impacts. Using the Integrated Performance Framework, we communicate our enterprise level operating and project delivery outcomes to our Board, management and government stakeholders as well as the wider public.

The Integrated Performance Framework is composed of concrete measures across a range of dimensions that indicate our success or failure in delivering meaningful results and outcomes for the people of Toronto, Ontario and Canada. We've been publicly reporting our indicators and outcomes for a number of years using a consistent framework.

As we embark on a new five-year strategic plan, Waterfront Toronto is refreshing our Integrated Performance Framework to align it with the initiatives and priorities in this document. We have designed our refreshed framework to be:

- *Complete and Relevant:* indicators cover all seven elements of our legislated mandate; these indicators were selected for their relevance to the policy priorities set by the government stakeholders.
- *Measurable and Reliable:* wherever possible we use performance indicators for which objective, accurate and quantitative data are available. We seek out indicators that are tracked consistently over time to allow the analysis of longitudinal trends.
- *Understandable:* we select and define our performance indicators so they're clear and easily understood by the general public, as well by representatives of our government stakeholders and industry partners. Where possible, we adopt benchmarks that are widely used in development and city building.
- *Mutually Exclusive:* we use performance indicators that independently measure elements of Waterfront Toronto's mandate and operations to avoid double-counting.

Success for Waterfront Toronto is:	Waterfront Toronto will measure success by:		Actual 2001-2017	Annual Target 2019/20	5 Year Target 2019-2023
1. Enhancing economic value <ul style="list-style-type: none">Waterfront Toronto will create new employment opportunities during the development of waterfront landsWaterfront Toronto developments will lead to new businesses on the waterfront that will provide ongoing employment opportunitiesThe developments on the waterfront will lead to increased taxes for all three governments and contribute economic value for the Canadian economy	1.1	Jobs: Full time years of employment during construction	14,100	2,000	10,800
		Jobs: Full time years of ongoing employment	5,000	N/A – 5 year measure	5,000
	1.2	Taxes: New taxes to City, Provincial and Federal governments	\$848 M	\$75 M	\$373 M
	1.3	Total economic value added to the economy	\$1,900 M	\$200 M	\$1,100 M
	1.4	Labour Income	\$1,100 M	\$140 M	\$724 M
2. Enhancing social and cultural value <ul style="list-style-type: none">Waterfront Toronto will be a world leader in design excellence and waterfront planning that will make Canadians proud of the Toronto waterfrontWaterfront Toronto will develop spaces that are accessible to all income levels	2.1	Number affordable housing units developed	496	80	729
	2.2	Number of market housing units developed	1,767	553	3,133
	2.3	Number of design awards	90	5	25
	2.4	Number of new permanent public art installations	9	1	7
	2.5	Percentage of projects with Design Review Panel support at the end of the design review process	100%	100%	100%
3. Creating an accessible and active waterfront for living, working and recreation	3.1	Acres of new parks and public spaces	77	2	31
	3.2	Kilometers of new trails and pedestrian connections (PATH; walkways, bridges; enhanced crossings)	17	-	13
	3.3	Number of events on the waterfront	74	>10	>50
4. Implementing a plan in a fiscally responsible manner <ul style="list-style-type: none">Waterfront Toronto will work within the funding provided and will continuously search out new revenue sources to support the development of the waterfrontWaterfront Toronto will use thorough processes to set and manage the project budgets	4.1	Percentage of competitive procurements by dollar value	New measure	>95%	>95%
	4.2	Percentage of projects over \$10 million completed within 5% of budget (in the last five years)	95%	90%	90%
	4.3	Percentage of projects over \$10 million completed within six months of original schedule (in last five years)	New measure	90%	90%
5. Implementing a plan in an environmentally responsible manner <ul style="list-style-type: none">The developments on the waterfront will meet the needs of the present without compromising the ability of future generations to meet their own needsWaterfront Toronto will develop its plans for the waterfront with a focus on the resilience of the surrounding environment	5.1	Number of acres committed to climate positive	82.7	82.7	82.7
	5.2	Intelligent & Connected Extent of broadband coverage (number of people with access)	New measure	N/A – 5 year measure	9,328
	5.3	Biophilic square metres of aquatic habitat created	119,173	120,000	120,000
	5.4	Biophilic meters of waterfront access	5,840	2,700	13,567
	5.5	Human Experience-Drive Average distance to access transit	500m	500m	500m

Success for Waterfront Toronto is:	Waterfront Toronto will measure success by:	Actual 2001-2017	Annual Target 2019/20	5 Year Target 2019-2023
6. Financially self-sustaining designated waterfront area <ul style="list-style-type: none"> Waterfront Toronto's enabling works will mean that the residential and commercial developments are financially feasible for private developers, without government support 	6.1 Increase in residential sales prices per square foot	New Measure	N/A — 5 year measure	2%
	6.2 Total population (residents, students, workers)	6,300	3,200	16,000
7. Promoting and encouraging involvement of the private sector <ul style="list-style-type: none"> Waterfront Toronto will assist other Canadian businesses succeed through partnerships 	7.1 Number of new development and/or strategic partnerships cultivated	30	2	15
	7.2 Private sector dollars invested in waterfront developments	\$10 billion	\$0.5 billion	\$3 billion
	7.3 Value of philanthropic, corporate sponsorship, non-government sourced contributions	\$25 million	>\$nil	\$206 million
8. Encouraging public input <ul style="list-style-type: none"> Waterfront Toronto will foster public trust in its current and planned activities Waterfront Toronto will build public awareness of its past, current and planned activities 	8.1 Number of digital media hits	New measure	>500	>2,500
	8.2 Number of public and/or stakeholder meetings held	>324	>20	>100
	8.3 Number of media (i.e. radio, tv, print, online) references to Waterfront Toronto and its initiatives	New measure	2,500	>10,000
	8.4 Number of times Waterfront Toronto staff have presented at conferences and industry events	New measure	100	400
	8.5 Number of public meeting attendees self-identifying as residing outside the designated waterfront area	New measure	25%	25%

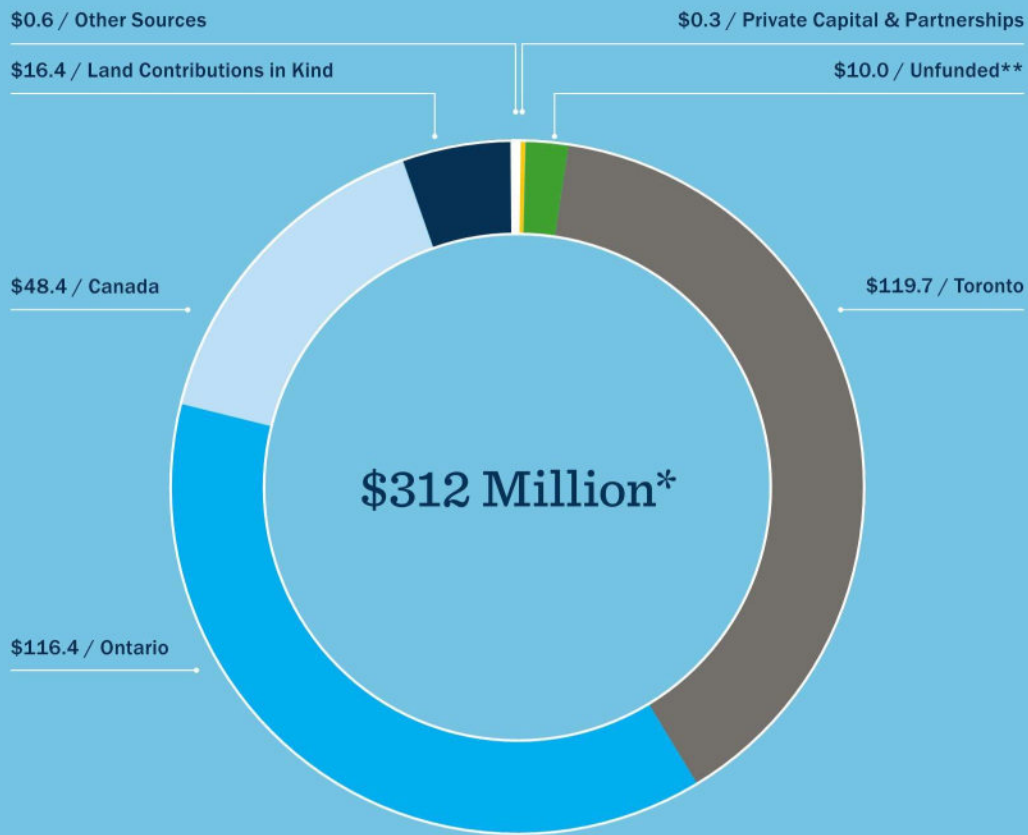
Note: Waterfront Toronto will update the above performance measures related to its legislative mandate annually through its subsequent Corporate Plans and also formally report back on achievements in its Annual Report issued in June each year.

Appendix 1: 2019/20 Key Milestones & Financials

Major Milestones		2019/20 Budget
The Port Lands	<ul style="list-style-type: none"> • Complete design for three bridges (Cherry Street North, Cherry Street South and Commissioner Street bridge) • Commence deep soil mixing for project site • Commence site preparation and demolition works 	\$245
Complete Communities	<p>Bayside</p> <ul style="list-style-type: none"> • Complete construction for Aitken Place Park • Select non-profit operator for affordable housing site <p>Stormwater and sanitary sewer infrastructure</p> <ul style="list-style-type: none"> • Complete concrete building shell and install treatment equipment for Stormwater Facility (SWF) • Final commissioning of Sanitary Pumping Station on permanent power • Construct in-water pipe for SWF <p>Queens Quay East Revitalization</p> <ul style="list-style-type: none"> • Negotiate acquisition of land related to road realignment and associated approvals. 	\$51
Public Places	<ul style="list-style-type: none"> • York & Rees Street Parks: Complete detailed design • Jack Layton Ferry Terminal: Complete Implementation Strategy Plan • Implement one permanent public artwork as per the public art strategy, as well as 4-5 temporary public art activations • Substantial construction completion of the pedestrian and cycling bridge for The Bentway 	\$13
Next Generation Sustainable Communities (Quayside)	<ul style="list-style-type: none"> • Evaluate Master Innovation and Development Plan (MIDP) through Evaluation Framework • Execute Public and Stakeholder Engagement strategy on MIDP, including with governments • Prepare Business Implementation Plans (BIPs) as required for the MIDP and in support of municipal approval process Prepare and Negotiate Principle Implementation Agreements (PIAs) as required for the MIDP • Subject to approval of MIDP, initiate MIDP governance structure and PIAs as it relates to Real Estate, Infrastructure, Intellectual Property and Digital Governance 	\$10
Strategic Initiatives / Other	<ul style="list-style-type: none"> • Resiliency Assessment: Undertaking study to assess future climate risks and ongoing stresses • Build new corporate capabilities and competencies in fundraising and partnerships • Provide ongoing core support for the Port Lands 	\$0.5 \$0.5 \$5
Total		\$325

Figures are in \$ millions

Appendix 1: 2019/20 Funding Plan



Figures are in \$ millions

* The difference between total 2019/20 investments of \$325 million and total 2019/20 funding of \$312 million arises from work deferred from 2018/19 to 2019/20 with funding already in place in 2018/19.

** The \$10 million unfunded portion of the 2019/20 Plan relates to \$7.6 million of costs associated with Quayside MIDP Development and \$2.4 million of corporate operating costs, both of which will temporarily be funded with the Corporation's borrowing facility until future land sale revenues are realized.

Appendix 2: Five Year Financials

	Budget	Forecast					Total Expenditures
	Fiscal Year 2019/20	Fiscal Year 2020/21	Fiscal Year 2021/22	Fiscal Year 2022/23	Fiscal Year 2023/24		
Priority Projects							
The Port Lands	\$ 245.1	\$ 264.7	\$ 224.6	\$ 171.7	\$ 108.6	\$1,014.7	
Flood Protection Landform	146.6	141.5	126.3	89.9	75.5	579.8	
Roads and Services	31.7	47.0	45.6	43.0	14.9	182.2	
Bridges	51.4	64.8	29.9	15.8	2.5	164.4	
Parks and Public Realm	15.4	11.4	22.8	23.0	15.7	88.3	
Complete Communities	\$ 50.8	\$ 51.3	\$ 48.4	\$ 23.3	\$ 12.2	\$ 186.0	
Queens Quay East Revitalization	14.8	15.7	26.1	10.5	-	67.1	
Other East Bayfront Public Realm	1.7	13.4	14.8	2.6	12.2	44.7	
Bayside Infrastructure	11.4	10.9	5.4	9.1	-	36.8	
Storm Water and Sanitary Sewer Infrastructure	15.8	2.7	0.5	0.2	-	19.2	
Other	6.0	4.8	0.7	0.3	-	11.8	
Quayside Soil & Environmental Management	1.0	1.1	0.9	0.6	-	3.6	
Dockside Infrastructure	0.1	2.7	-	-	-	2.8	
Public Places	\$ 13.2	\$ 12.0	\$ 17.6	\$ 10.6	\$ 2.6	\$ 56.0	
York and Rees Street Park	3.7	8.6	10.7	5.3	0.1	28.4	
Public Art	1.1	2.1	6.9	5.3	2.5	17.9	
The Bentway	8.0	1.0	-	-	-	9.0	
Jack Layton Ferry Terminal	0.4	-	-	-	-	0.4	
Other	0.0	0.3	-	-	-	0.3	
Next Gen Sustainable Communities	\$ 10.4	\$ -	\$ -	\$ -	\$ -	\$ 10.4	
Quayside MIDP Evaluation	10.4	-	-	-	-	10.4	

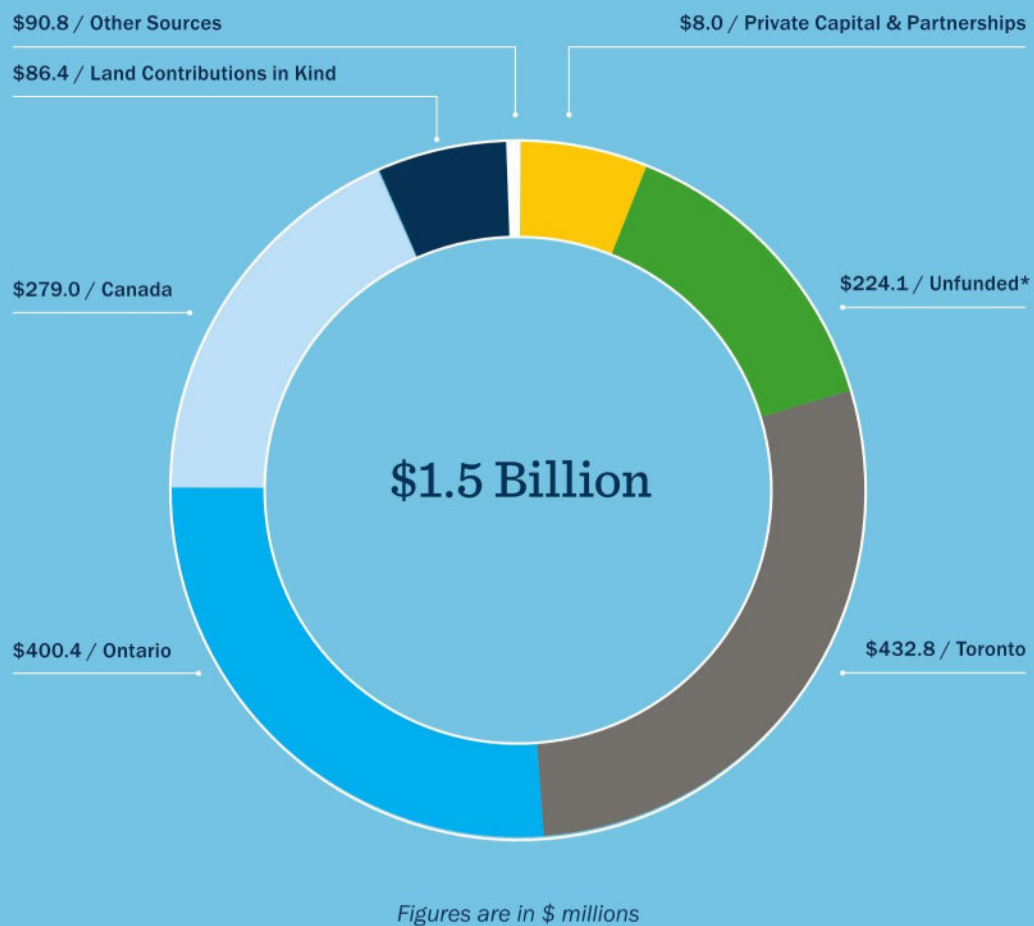
	Budget		Forecast									
	Fiscal Year 2019/20		Fiscal Year 2020/21	Fiscal Year 2021/22	Fiscal Year 2022/23	Fiscal Year 2023/24	Total Expenditures					
Priority Projects												
Strategic Initiatives/Other	\$	5.6	\$	5.1	\$	5.3	\$	5.0	\$	3.4	\$	24.4
Non Recoverable Corporate Overhead		4.6		4.6		4.6		4.6		3.4		21.8
Innovative and Sustainability Initiatives		0.5		0.4		0.7		0.4		-		2.0
Other Initiatives		0.5		0.1		-		-		-		0.6
Subtotal—Priority Projects	\$	325.1	\$	333.1	\$	295.9	\$	210.6	\$	126.8	\$	\$1,291.5
New Potential Projects												
Signature Structure		-		-		10.0		30.0		40.0		80.0
Waterfront Walk		-		4.5		9.0		18.0		27.0		58.5
Jack Layton Ferry Terminal & Park		-		4.0		8.0		16.0		24.0		52.0
Destination Play at Promontory Park		-		1.3		2.5		5.0		6.3		15.1
Subtotal—New Potential Projects	\$	-	\$	9.8	\$	29.5	\$	69.0	\$	97.3	\$	205.6
Grand Total	\$	325.1	\$	342.9	\$	325.4	\$	279.6	\$	224.1	\$	\$1,497.1

Figures are in \$ millions

Note: The budget and forecast numbers above are inclusive of the annual corporate operating budget figures outlined in Appendix 3. Corporate operating costs are charged to projects based on direct staff hours required to deliver the project using a full cost recovery hourly rate. Full cost recovery hourly rates are determined based on actual direct costs of staff in the Development, Project Delivery and Planning & Design business units, together with a burden rate for indirect, core support costs such as occupancy costs, technology, audit fees, insurance, corporate communications and staff in core support roles such as accounting, finance, IT, legal and board governance, procurement and human resources.

As outlined on page 64, some projects do not currently have sufficient project funding to fully recover the indirect portion of the corporate operating cost, and as such Waterfront Toronto must use alternative sources of revenues to fund these.

Appendix 2: 2019/20–2023/24 Funding Plan



* The \$224.1 million unfunded portion of the Five Year Strategic Plan comprises all of the New Potential Projects (\$205.6 million) together with \$11 million of corporate operating costs and \$7.6 million of Quayside MIDP Evaluation costs. The New Potential Projects will not be initiated until funding has been secured for these projects. The remaining unfunded portion of \$18.6 million will be temporarily funded with the Corporation's borrowing facility until future land sale revenues are realized.

Appendix 3: Corporate Operating and Capital Budgets

Corporate Operating Budget	2018/19	Budget		Forecast			
		2019/20	2020/21	2021/22	2022/23	2023/24	
General and Office Administration	\$ 1.4	\$ 1.9	\$ 1.9	\$ 2.0	\$ 1.8	\$ 1.2	
Accountability and Governance	0.4	0.4	0.4	0.4	0.4	0.4	
Information and Technology	0.5	0.6	0.6	0.6	0.5	0.4	
Human Resources	15.4	14.7	14.7	14.5	13.5	12.0	
Public Engagement and Communication	0.6	0.6	0.6	0.6	0.6	0.5	
Sub-total before Amortization	\$ 18.3	\$ 18.2	\$ 18.2	\$ 18.1	\$ 16.8	\$ 14.5	
Amortization	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.4	\$ 0.4	\$ 0.3	
Total Corporate Operating Budget	\$ 18.8	\$ 18.7	\$ 18.7	\$ 18.5	\$ 17.2	\$ 14.8	
Corporate Operating Costs recovered from Projects	\$ 14.2	\$ 14.1	\$ 14.1	\$ 13.9	\$ 12.6	\$ 11.4	
Corporate Operating Costs Funded by Other Sources	\$ 4.6	\$ 4.6	\$ 4.6	\$ 4.6	\$ 4.6	\$ 3.4	
Total Corporate Operating Budget	\$ 18.8	\$ 18.7	\$ 18.7	\$ 18.5	\$ 17.2	\$ 14.8	
Corporate Capital Budget	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	
	(revised)						
Technology Infrastructure	\$ 1.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	
Facilities Improvement	0.6	0.3	0.1	0.1	0.1	0.1	
Total Corporate Capital Budget	\$ 1.9	\$ 0.6	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	

Figures are in \$ millions

Note: By first quarter 2019/20 we expect all major upgrades such as the Enterprise Resource Planning system and the office space reconfiguration to be complete. As such, the Corporate Capital Budget in this Plan is focused largely on maintaining a state of good repair. These costs are amortized over a three year and five year period respectively, and this cost is reflected above in the Amortization line within the Corporate Operating Budget.

Our Executive Team

Michael Nobrega
Interim President and CEO

Meg Davis
Chief Development Officer

Chris Glaisek
Chief Planning and
Design Officer

David Kusturin
Chief Project Officer

Marisa Piattelli
Chief Strategy Officer

Lisa Taylor
Chief Financial Officer

Leslie Gash
Senior Vice President,
Development

Julius Gombos
Senior Vice President,
Project Delivery

Pina Mallozzi
Vice President,
Planning and Design

Cameron MacKay
Vice President, Strategic
Communications and Engagement

Kristina Verner
Vice President, Innovation,
Sustainability, and Prosperity

Ian Beverley
General Counsel

Join us online



Waterfront Toronto

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SCENARIO NOTE TO THE DEPUTY MINISTER

MEETINGS BETWEEN
DEPUTY MINISTER OF INFRASTRUCTURE AND COMMUNITIES
AND FEDERAL APPOINTEES TO
WATERFRONT TORONTO'S BOARD OF DIRECTORS

MEETING DETAILS*Ms. Janet Rieksts-Alderman*

- **DATE/TIME:** Thursday, January 17th, 2019, at 1:00 p.m. (lunch meeting)
- **LOCATION:** Tractor, 151 Yonge Street

Ms. Jeanhy Shim

- **DATE/TIME:** Friday, January 18th, 2019, 9:00 to 10:00 a.m.
- **LOCATION:** The Spoke Club, 600 King St West, 4th floor

Mr. Mazyar Mortazavi

- **DATE/TIME:** Friday, January 18th, 2019, 11:30 to 12:30 p.m.
- **LOCATION:** The Soho House, 192 Adelaide Street West

Biographies of these federal board members are provided under **Annex A**.

PURPOSE

- To provide further context for your continued role as Chair of the Inter-Governmental Steering Committee (IGSC), these meetings provide an opportunity to exchange updates and views on Waterfront Toronto priorities as the New Year begins.

HIGHLIGHTS/KEY CONSIDERATIONS

- Waterfront Toronto is a not-for-profit entity with an independent Board of Directors established under provincial legislation in 2001. The three orders of government each appoint four representatives to the Waterfront board. This group is independently responsible for overseeing the operations of the corporation, including the hiring of management and staff and delivering on development projects.
- A December 5, 2018 Ontario Auditor General value-for-money audit of Waterfront Toronto made several recommendations, including with respect to improving project management and government oversight of the corporation.
- Also in December 2018, Waterfront Toronto released its rolling 5-year Strategic Business Plan – endorsed by the Board of Directors – that covers the Corporation's

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objectives and plans to enhance the economic, social and cultural value of the land in the designated waterfront area.

- Key among the initiatives highlighted in the Plan is the Port Lands Flood Protection (PLFP) project which had its official groundbreaking ceremony in November 2018 (with INFC Minister Champagne in attendance). The PLFP project is expected to unlock 880 acres of waterfront land for future growth and development.
- Another important initiative underway by Waterfront Toronto is its partnership with Sidewalk Labs to develop a proposal for the creation a “smart community” within the Quayside acreage. Waterfront Toronto has pulled together experts under a Digital Strategy Advisory Panel (DSAP) to develop, with public input, key principles to guide any proposals around data collection, privacy and governance at Quayside. Waterfront and Sidewalk have also been undertaking broader public engagement on other aspects of the Quayside proposal, such as affordable housing and transportation.
- You may wish to hear from the federally-appointed Board members on how they see priorities unfolding for major projects, like Port Lands Flood Protection and Quayside, as well as institutional activities more generally – such as public engagement on key issues.
- One of your responsibilities as Chair of the IGSC is to support good governance of Waterfront Toronto through the intergovernmental management and coordination of matters related to the Toronto Waterfront Revitalization Initiative. You may wish to ask how the IGSC, as a coordinating body among governments, can further advance good governance objectives.

KEY BACKGROUND

The following summarizes the formal roles of the members you are meeting with:

- **Janet Rieksts-Alderman** [REDACTED] has stepped into the role of interim Board Chair following the departure of Helen Burstyn in early December. She also chairs the *Finance, Audit and Risk Management (FARM) Committee* that which includes overseeing the Port Lands Flood Protection Project; the *Chairs’ Committee* that deals with HR management, governance, and government relations; and co-chairs the *ad-hoc CEO Search Committee* along with City-appointed member Susie Henderson.
- **Mazyar Mortazavi** [REDACTED] co-chairs along with Susie Henderson the *Investment, Real-Estate, and Quayside (IREQ) Committee* which includes oversight of the completion of the Master Innovation and Development Plan (MIDP) for Quayside. Mortazavi is also the Board liaison to WT’s Design Review Panel.

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- **Jeanhy Shim** [REDACTED] participates on various Board committees as well as at many Waterfront Toronto-related events outside of regular Board meetings. This has included several recent public engagement events organized by both Waterfront Toronto and Sidewalk Labs on Quayside like the November 23rd Civic Lab on data governance and the December 8th Public Roundtable.

PROPOSED TALKING POINTS/PROPOSED QUESTIONS*General / Introductory*

- We recognize the important work Waterfront is doing on important and complex files. In my role as IGSC Chair I am interested in ensuring that the three levels government coordinate their activities in a way that respects a strong bond between the Board and Waterfront management and that encourages good governance.
- I would welcome your views on how the IGSC, as an officials-level coordinating mechanism among the three orders of government, can help to foster these objectives.

Ontario AG Report

- The Ontario Auditor general's report sets out a number of recommendations. How would you prioritize the issues to be addressed going forward?

Port Lands

- I was pleased to see the Port Lands Flood Protection Project officially break ground in November. Through this project there are important investments that will unlock significant development opportunities for that area of the Toronto waterfront.

Quayside

- Quayside represents and innovative partnership between Waterfront Toronto and Sidewalk Labs.
- We look forward to the views of the Digital Strategy Advisory Panel and further public engagement on this file, and seeing how this is incorporated into the Master Innovation and Development Plan (MIDP).

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Waterfront Toronto oversight and resourcing

- I understand that the province is looking to fill the current provincial vacancies on the Board and that Janet Rieksts-Alderman has stepped into the role of interim Board Chair.
- While these appointments are pending, I understand there are sufficient Board members and quorum for the institution to carry on its work at a key time.
- In light of the direction set out by the Five-year Strategic Plan, how can the corporation ensure it has appropriate resources, expert staff, development and good governance to meet its mandate over time?
- As part of this, how do you see the process to recruit and hire a CEO unfolding?
- More generally, I would welcome any other views you would like to share, including how governments can provide coordinated support for Waterfront and the Board, while respecting the arms-length nature of the relationship.

Attachments:

Annex A – Biographies:

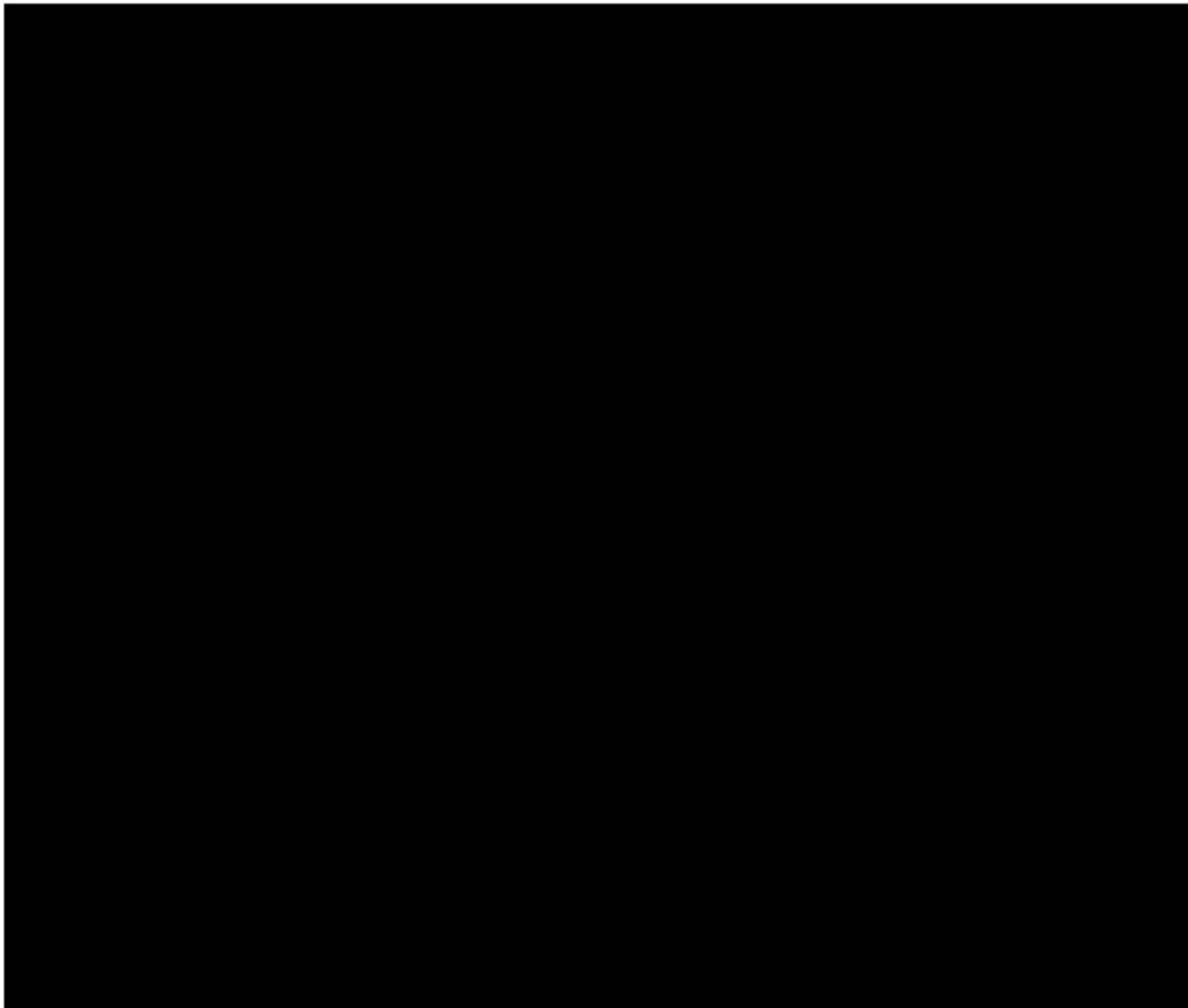
- Janet Rieksts-Alderman
- Mazyar Mortazavi
- Jeanhy Shim

Annex B – INFC summary of the Ontario Auditor General report

Annex C – 5-Year Corporate Plan

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Janet Rieksts-Alderman
Director, Waterfront Toronto



Jeanhy Shim
Director, Waterfront Toronto



Appointed by the government of Canada in June 2017.

Jeanhy has been working in the real estate development industry for the past 25 years, providing strategic market analysis, advice and innovative solutions to leading developers, financial institutions, brokers and consultants in the Toronto GTA. Her experience spans the full spectrum of real estate development, including land acquisition, market research and analysis, product development, sales and marketing strategy, sales team management, customer service and post-construction service.

As a Vice President or Consultant, Jeanhy has been involved in over 100 residential projects across the Toronto GTA, as well as projects in other areas of Ontario, Canada and USA. In 2013, she also founded Housing Lab Toronto – an independent housing research think-tank dedicated to re-thinking how we grow our cities; and in 2015, she launched the Children's Discovery Centre pilot project - Toronto's first and only children's museum. The goal of the pilot was to demonstrate a growing need for family-friendly amenities as key part of our growing city, and based on its success, work is now underway to open a permanent, world-class children's museum in Toronto.

Jeanhy has a Master's degree from the London School of Economics and Political Science, and a B.A. from McGill University.

Mazyar Mortazavi
Director, Waterfront Toronto



Appointed by the government of Canada in January 2017.

Mazyar Mortazavi, President and CEO of TAS, is a prominent Toronto city builder with a passion for community-based initiatives. As an entrepreneur for the public good, Mazyar operates on the philosophy that connected communities lead to more beautiful, resilient cities. With this passion for cities, he spearheads projects and initiatives that celebrate culture and art, prioritize sustainability, and foster positive neighbourhood relationships.

After receiving his undergraduate degree in Environmental Studies and Masters in Architecture from the University of Waterloo, Mazyar joined TAS, the family business. Over the past 16 years, he has applied a strong environmental and progressive approach to business earning TAS a B Corp certification and numerous project awards. Under Mazyar's direction, TAS is on the leading edge of change, developing beautifully designed residential and commercial buildings in multiple urban neighbourhoods.

Ontario Auditor General (OAG) Value-for-Money Audit Report of Waterfront Toronto

OVERVIEW

The OAG report has 10 specific recommendations, four of which are directed at the Ontario Ministry of Infrastructure "in conjunction with partner governments." The other six are directed at Waterfront Toronto. Three overarching themes come out of the report for the consideration of governments.

The first is with regard to WT's mandate. The OAG found that WT does not have enough of a mandate to carry out its activities, and has relied on the City of Toronto's Central Waterfront Secondary Plan as a guide for revitalization rather than creating its own master plan or large-scale vision. The OAG thus recommends that WT mandate be reviewed to ensure that it has the authority to do what it needs to do, and does not overlap with other entities that Waterfront mandates such as Ontario Place and CreateT.O.

The second theme has to do with tightening the framework to guide funding decisions with respect to WT. In this respect the audit has pointed out the number (over 90) and complexity of individual contribution agreements struck over the first phase of revitalization. The OAG has also pointed to the seeming lack of a full dispute resolution mechanism afforded to government partners at the level of the IGSC. Lastly the audit points to the need to establish and monitor for broad corporate performance measures at the level of goals and objectives for WT. These would distinguish themselves from project-level performance targets typically found in transfer payment agreements between governments and the corporation.

The third theme has to do with WT's project with Sidewalk Labs. The OAG makes observations with respect to the procurement process that led to the selection of SWL. Concerns of the OAG have to do with the shortened timeframe respondents were given to respond compared to previous RFPs (six versus 10 weeks), and discussions WT had with SWL prior to the issuance of the RFP. Lastly, the OAG has noted the multitude of policy and regulatory and public concerns around the creation of Smart City and Toronto. As a result, the OAG recommends that further study be undertaken on these questions and that an advisory council be established to provide advice on the appropriate policy and legislative framework to put in place around a Quayside Smart City.

Main findings and specific recommendations of the OAG report are listed below.

A. MAIN FINDINGS

Mandate

- *Waterfront Toronto was not given ownership over the lands it was tasked to revitalize, and therefore the visions of those with ownership controlled the decisions over waterfront development.*
Waterfront
- *Waterfront Toronto did not pursue more large-scale planning of the entire waterfront development.*
- *Waterfront Toronto's development mandate overlaps with other entities, which can cause development delays and duplication of effort.*

Use of Government Funding

- Governments provided funding on a project-by-project basis through complex funding agreements.
- The governments redirected \$700 million (approximately 47%) of their original \$1.5 billion in funding commitments to other agencies for other projects.
- Waterfront Toronto has not met its mandate of making development financially self-sustaining.
- Waterfront revitalization project costs exceeded initial estimates.
- Monitoring projects against budgets was difficult due to poor documentation.
- Waterfront Toronto provided poor oversight of those projects where it transferred funds to other organizations to conduct the development work.

Port Lands Flood Protection

- The upfront provision for consulting, operating and other costs and contingencies is significant (at \$453 million) and amounts to 37% of the projected total.

Sidewalk Labs Project

- Waterfront Toronto communicated and provided information to Sidewalk Labs and other potential bidders prior to the issuance of the request for proposals (RFP).
- Unlike its previous operating practices, Waterfront Toronto did not adequately consult with any levels of government regarding the Sidewalk Labs project.
- Because the smart city site will likely be larger than the Quayside lands, even more attention will need to be given to addressing the significant public concerns with this project.
- The project has raised public concerns regarding data collection and use.
- Uncertainty exists about whether Waterfront Toronto and Sidewalk Labs will comply with provincial procurement obligations and the memorandum of understanding with the City of Toronto.

B. SPECIFIC RECOMMENDATIONS AND FORMAL RESPONSES

(The report contains six recommendations for Waterfront Toronto and four for the Ministry of Infrastructure (MOI), consisting of 36 action items. Recommendations for MOI are highlighted in red)

Mandate and Original Funding

Waterfront Toronto Conducted Limited Direct Development of Waterfront; Waterfront Toronto Had Limited Authority to Lead Revitalization

1. To have Waterfront Toronto's mandate reflect the public and governments' vision for a revitalized waterfront, and so that it does not overlap with other entities' mandates in the future, we recommend the Ministry of Infrastructure, in consultation with partner governments:
 - conduct a review of Waterfront Toronto's mandate, focusing on defining clearly the role and authority necessary for it to play in revitalizing the waterfront for the remainder of its legislated term; and

- *clarify the roles and responsibilities of existing organizations such as CreateTO and the Ministry of Tourism, Culture and Sport, which may have overlapping mandates or interest in the revitalization of Toronto's waterfront.*

Ministry response: The Ministry acknowledges the importance of establishing clear roles between the levels of government and Waterfront Toronto in the development of Toronto's waterfront. The provincial government will discuss with its government partners the Auditor General's recommendations on a mandate review and on how best to clarify roles and responsibilities between relevant organizations.

The provincial government, along with the federal government and the City of Toronto, utilizes an Intergovernmental Steering Committee that jointly supports Waterfront Toronto to fulfill its mandate and to facilitate collaboration with other relevant parties. The Province has also actively engaged with relevant government partners to ensure decisions are made in alignment with other key initiatives.

The provincial government is working with government partners and Waterfront Toronto to develop an accord that will strengthen accountability and clarify the roles and responsibilities of each party. The Province, working with its government partners, will also consider these recommendations as it works with and reviews Waterfront Toronto's 2019–2023 Strategic Business Plan.

The provincial government will continue to work with its partners to support Waterfront Toronto in effectively delivering on its mandate and collaborate with other relevant agencies and corporations.

Actual Project Spending Exceeded Estimated Project Costs

2. *To deliver future projects, such as the flood protection of the Port Lands, on time, on budget and in accordance with the planned scope, we recommend that Waterfront Toronto:*
 - *consistently develop detailed project plans and cost estimates based on engineering and technical studies;*
 - *set budget and completion timelines for each component of the Port Lands flood protection project and other projects using the information and estimates it gathers through the engineering and technical studies; and*
 - *ensure all levels of government have signed off on project spending needs before commencement of a project.*

Waterfront Toronto Response: Waterfront Toronto supports the recommendation. Consistent with our current practices, which have been applied to the Port Lands flood protection project, Waterfront Toronto will develop detailed project plans and cost estimates based on design, engineering and technical studies for future projects. The overall budget of \$1.25 billion and completion timeline of late 2023 for the Port Lands flood protection project was established in the October 2016 due diligence report, which was completed by a competitively procured team of multi-disciplinary professionals to

create more certainty on the project's cost, schedule and risks prior to the funding commitment from governments.

Waterfront Toronto will set the budget and completion timelines for each individual component of the Port Lands flood protection project and other projects using the information and estimates it has gathered through design, engineering and technical studies at the 30% design drawing stage, in accordance with leading industry practice and will continue to do so for future projects.

Waterfront Toronto's current practice is to ensure a signed funding agreement with governments is in place prior to the commencement of a project.

Difficult to Monitor Projects against Budgets Due to Poor Documentation; No Process to Guide the Review of Invoices

3. *To have the required systems and procedures in place to effectively manage the Port Lands flood protection project and other projects, we recommend that Waterfront Toronto:*

- *complete the implementation of a project management information system to track project progress against budgets and timelines;*
- *actively monitor change orders, investigate instances where cost trends suggest budgets may be exceeded and take corrective actions when necessary, such as modifying the scope of a project or simplifying its delivery to ensure project costs are within budget;*
- *provide regular updates to senior management on project status with explanations for significant variations between budget and actual cost;*
- *provide Board members with regular project progress updates, including comparisons to budgets and timelines, to enable them to exercise oversight;*
- *provide the three levels of government with regular project progress updates, including actual-expense-to-budget information and timelines, to enable them to exercise their oversight;*
- *develop and implement guidelines for the review of construction invoices, including appropriate and timely site visits; and*
- *establish a file management, document and archival policy.*

Waterfront Toronto Response: Waterfront Toronto supports the recommendation. Waterfront Toronto is currently implementing a new Enterprise Resource Planning (ERP) system to enhance its ability to manage, monitor and report on projects—including project budgets and change orders, enhancing transparency and accountability, and increasing operational effectiveness and risk management. This system is expected to be operational in early 2019.

Waterfront Toronto's current practice in a situation of unavoidable cost that cannot be managed by the contingency is to:

- reduce project costs through value engineering or alter timelines without modifying project scope; and/or

- if necessary, obtain approval to modify the project scope, through the deferral or elimination of non-critical project elements to ensure that the budget can be met.

In early 2018, Waterfront Toronto enhanced its project governance to create a formal Capital Program Management Office (CPMO) to streamline and strengthen controls related to project and program management.

The CPMO has developed new project oversight dashboard reports that will be used to provide regular updates to senior management, Board members and the three levels of government on project status and key risk areas, as well as budget, cost, scope and schedule variations.

In fall 2018, Waterfront Toronto improved the documentation related to its existing processes for the review of construction invoices, including appropriate and timely site visits by project cost certifiers.

Waterfront Toronto is currently developing a file management and document retention policy and anticipates adoption of this policy on or before December 31, 2019.

Waterfront Toronto Had Weak Oversight over Projects It Funded Other Organizations to Deliver

4. *To improve oversight of organizations receiving funding from Waterfront Toronto so that projects are delivered on time, on budget and in accordance with the planned scope, we recommend that Waterfront Toronto:*
 - *include project budgets and timelines for completion in formal agreements with recipient organizations;*
 - *approve projects and associated funding only after satisfying itself that the funds requested by recipient organizations are based on detailed and reliable budget estimates;*
 - *require and review quarterly project updates and reports from recipient organizations and follow up with the recipient organization in cases where there are risks of cost overruns;*
 - *provide Board members with regular project progress updates, including comparisons to budgets and timelines, to enable them to exercise oversight;*
 - *provide the three levels of government with regular project progress updates, including actual-expense-to-budget information and timelines, to enable them to exercise their oversight;*
 - *develop and implement processes for the review of contractor invoices provided by recipient organizations, including appropriate and timely site visits; and*
 - *establish a file management, documentation and archiving policy.*

Waterfront Toronto Response: Waterfront Toronto supports the recommendation. Waterfront Toronto has not entered into any new eligible recipient agreements in the past five years nor does it anticipate transferring any major funding to recipient organizations over the next five years.

Waterfront Toronto's current practice is to specify appropriate contract terms— including project budgets and timelines for completion— with all vendors (including those previously deemed to be "eligible recipients").

Board members and the three levels of government will receive improved project budget, schedule and risk reports, including new dashboard reports referred to under **Recommendation 3**.

In fall 2018, Waterfront Toronto improved the documentation related to its processes for the review of construction invoices, including timely site visits by project cost certifiers.

Waterfront Toronto is currently developing a file management and document retention policy and anticipates adoption of this policy on or before December 31, 2019.

Waterfront Toronto Not Financially Self-Sustaining as Mandate Anticipated

5. *To further develop the waterfront area in a financially self-sustaining manner, we recommend that Waterfront Toronto create and implement a plan for making revitalization self-sufficient, which could include leveraging private-sector funding and revenue-generating sources such as corporate partnerships and philanthropy.*

Waterfront Toronto Response: Waterfront Toronto supports the recommendation. Waterfront Toronto has outlined its objective to leverage private-sector funding, corporate partnerships and philanthropy in its Strategic Business Plan 2019–2023. During this five-year period, Waterfront Toronto will create and develop a plan for making revitalization self-sufficient and less reliant on government funding. In 2017, Waterfront Toronto received qualified donee status from the Canada Revenue Agency, which allows it to receive donations and issue tax receipts.

Intergovernmental Steering Committee Does Not Have a Project Decision-Making and Dispute Resolution Framework

6. *To have effective communication and decision-making processes in place to support future revitalization of the waterfront, we recommend that the Ministry of Infrastructure in conjunction with its partner governments:*
- *develop a framework to guide project-funding decisions; and*
 - *establish a formal dispute resolution process.*

Ministry Response: The Ministry agrees that effective communication and decision-making processes are key to support the revitalization of the waterfront.

The three levels of government utilize an Intergovernmental Steering Committee to collaborate and co-ordinate project funding decisions. The Terms of Reference of the Intergovernmental Steering Committee guides the decision-making process. The decision-making has also been guided by the requirements stated in the legislation and Contribution Agreements.

The Intergovernmental Steering Committee also acts as the dispute resolution mechanism for issues related to the development of Toronto's waterfront.

Contribution Agreements for Waterfront Toronto projects contain measures to promote collaboration and procedures to resolve disputes.

The Port Lands flood protection project's Executive Steering Committee has also developed, in September 2017, dispute resolution mechanisms for issues specific to the delivery of the project and provides direction in relation to project management, planning and identified risks.

The Province is working with the government partners and Waterfront Toronto to develop an accord to strengthen accountability of each party and will consider these recommendations in the development of the accord.

Some Best Practices Not Part of Projects despite Multiple Overseas Trips to Learn About Waterfronts

7. *To successfully revitalize the remaining waterfront land, we recommend that Waterfront Toronto work with the three levels of government to consider incorporating in the Port Lands flood protection area and other projects best practices and lessons learned from past Waterfront Toronto revitalization projects, projects in other jurisdictions, and the features commonly associated with successful revitalization that Waterfront Toronto identified between 2003 and 2006 and in May 2018, such as large public spaces, more building height control, public access to the water's edge, festivals and cultural attractions.*

Waterfront Toronto Response: Waterfront Toronto supports the recommendation. Waterfront Toronto's current practice is to complete a lessons learned (post-mortem) workshop at the end of each major project, with the objective to apply those lessons to future projects.

As Waterfront Toronto develops its future strategic and annual corporate plans, it will incorporate the relevant and appropriate features commonly associated with successful waterfront revitalization.

Performance Measures and Targets Not Established

8. *In order for the three governments to be able to monitor and assess the progress and performance of Waterfront Toronto and its future revitalization projects in the Port Lands and other projects, we recommend that the Ministry of Infrastructure, in conjunction with its partner governments and the Intergovernmental Steering Committee:*
 - *develop a set of performance measures and targets that are linked to Waterfront Toronto's legislated objectives;*
 - *require Waterfront Toronto to publicly report on its performance against the targets set in these objectives at least annually; and*
 - *regularly encourage public input from the broader population, not just local waterfront residents, into the development of the waterfront area.*

Ministry Response: The Ministry of Infrastructure agrees that performance measures are essential to the monitoring and assessment of projects.

The Province is currently working with its government partners and Waterfront Toronto to develop an accord to strengthen accountability of each party and will further consider how to address the recommendation of the Auditor General, including performance measures and targets that are linked to Waterfront Toronto's legislative objectives, public reporting and engagement.

The Province, along with its government partners, is working with Waterfront Toronto as it develops performance measures linked to its legislative objectives through its 2019–23 Strategic Business Plan.

Port Lands Flood Protection

Planning and Development of the Port Lands

9. *To manage the development of the Port Lands with due regard for economy, we recommend that Waterfront Toronto:*

- *produce detailed construction cost estimates for each of the 23 component projects of the flood protection for review by the funding governments;*
- *report quarterly on progress against these budgets; and*
- *assess the effectiveness of its work on reducing the impact of construction risks, which could otherwise increase the final cost of flood protection.*

Waterfront Toronto Response: Waterfront Toronto supports the recommendation. Waterfront Toronto has completed detailed construction cost estimates for each of the 23 component projects to a 30% design drawing level. These estimates will be reviewed by the funding governments through the Port Lands Executive Steering Committee and Infrastructure Canada Port Lands Project Oversight Committee in accordance with the terms of the tri-partite contribution agreement.

Through its dashboard reporting framework, Waterfront Toronto will formally report on progress against these budgets on a monthly basis and will provide this information to the Waterfront Toronto Board and three levels of government on at least a quarterly basis. Waterfront Toronto has engaged a third-party expert risk consultant for the Port Lands flood protection project whose responsibility is to document and assess the impact of construction risks on the project. Waterfront Toronto management and the entire project team, with support of a Capital Peer Review Panel, identify and review project risks on a monthly basis. Through this process, mitigation strategies are identified to reduce the impact of construction risks on the project.

Smart City Project with Sidewalk Labs

Waterfront Toronto Enters into Agreements with Sidewalk Labs without Sufficient Due Diligence and Provincial Involvement; Further Questions Remain about the Smart City Project after the Second Agreement

10. *It is important to protect the public interest and ensure responsible and transparent integration of new digital technology within urban design when creating a mixed-used smart city. Due to the nature, complexity and potential long-term impacts from the initial establishment of digital data*

infrastructure planned for Toronto's waterfront in the form of a smart city (the first of its kind in Canada), we recommend that the provincial government, in consultation with partner governments:

- conduct further study on the activities of Waterfront Toronto and Sidewalk Labs in the planning and development of the smart city in Quayside and the broader waterfront area;*
- reassess whether it is appropriate for Waterfront Toronto to act on its own initiative in making commitments and finalizing a long-term partnership arrangement with Sidewalk Labs or whether a separate governance structure is needed that allows for more direct provincial oversight;*
- establish an advisory council comprised of smart city/digital data infrastructure experts (e.g., information technology, privacy, legal, consumer protection, infrastructure development, intellectual property and economic development) to provide proactive advice on the development of a policy framework to guide the establishment of a smart city in Ontario;*
- conduct public consultations to consider in the development of a policy framework for a smart city in Ontario;*
- consult throughout government on the roles and responsibilities government ministries and agencies could have during the development, implementation and operation of a smart city;*
- to protect the public's interest, establish the policy framework, through legislation, for the development of a smart city in Ontario that addresses: intellectual property; data collection, ownership, security and privacy; legal; consumer protection issues, infrastructure development and economic development; and*
- communicate openly and transparently with the public on what to expect from a smart city project.*

Ministry Response: The Ministry welcomes the recommendation from the Auditor General and is committed to protecting the personal privacy of Ontarians. The Province recognizes the importance of the issues and concerns around digital governance and data privacy.

Although Digital Governance Framework Principles have been included in the Plan Development Agreement between Waterfront Toronto and Sidewalk Labs, we acknowledge that there are broader public interest issues around privacy, legal, consumer protection, infrastructure development and intellectual property that could arise from the creation of the first smart city in Canada that the Province needs to study from a provincial government policy framework perspective.

Waterfront Toronto has indicated that it plans to enter into a Master Innovation and Development Plan (MIDP) with Sidewalk Labs in 2019. The Province will work in conjunction with its partner governments to study the issues surrounding the creation of a smart city in Toronto to determine whether any new or amended provincial and/or federal legislation and/or municipal bylaws and/or government policies will be needed to protect the public interest prior to the MIDP being signed.

December 6, 2018



WATERFRONTToronto

Waterfront Toronto / Rolling Five-Year Strategic Plan / Past · Present · Future

The Opportunity for Toronto, Ontario, and Canada

Toronto is at a critical juncture. It has a strong and diversified economy, a thriving cultural life, and has earned a growing international reputation as a welcoming destination for visitors and new immigrants. At the same time, like other cities around the world Toronto is working to address an array of challenges associated with economic inequality, affordability, mobility and environmental sustainability.

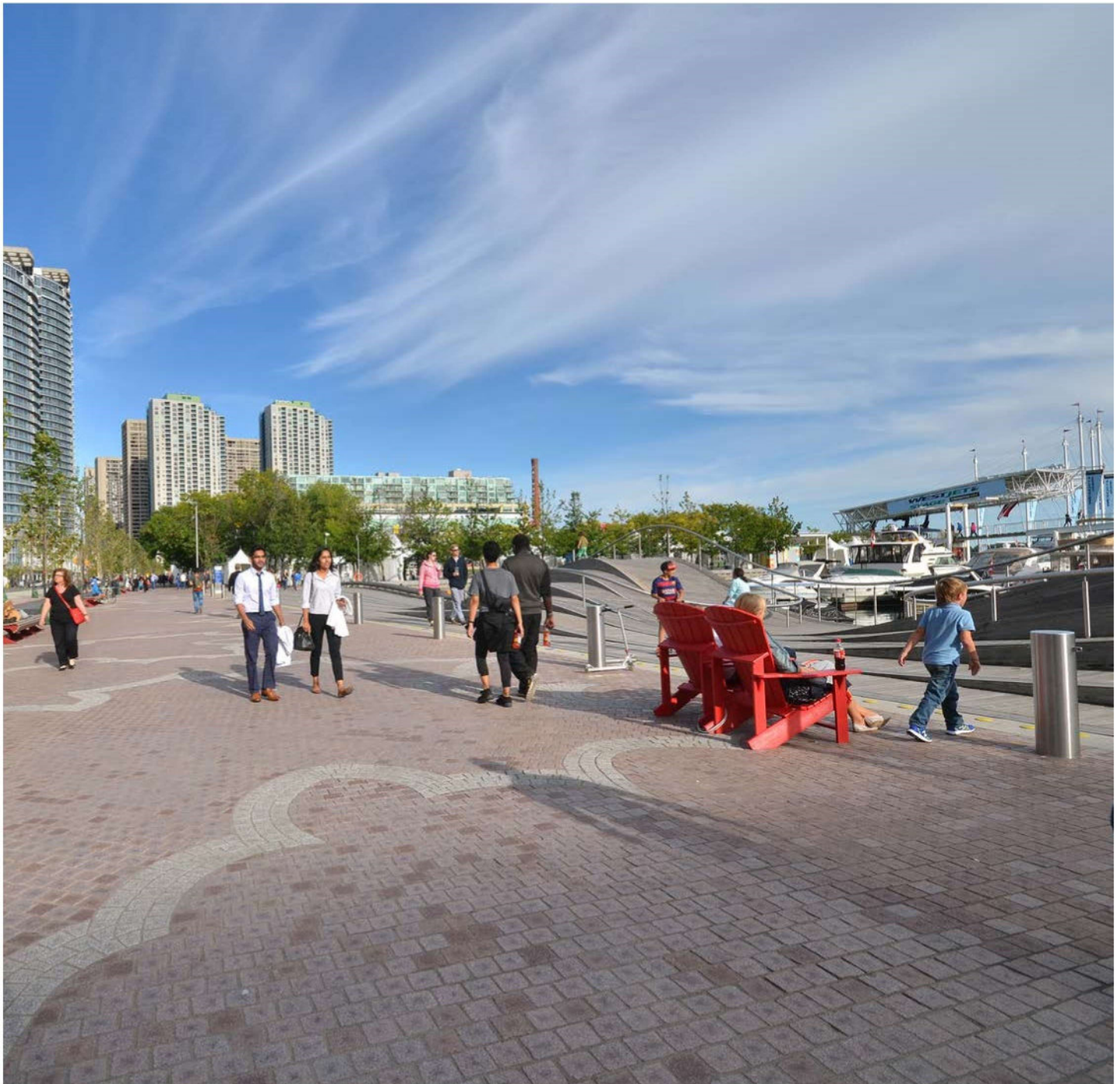
The challenges many cities face today are products of their growth and success. Urbanization is major a global trend: 55% of humanity already lives in cities, and the UN projects that this figure will reach 68% by 2050. The Greater Toronto Area is home to nearly half of Ontarians (48.3%), a share that's expected to keep growing. Toronto's assets and systems—from housing to roads to transit—are strained precisely because so many people want to live and work here.

In addition to facing challenges associated with its growth, Toronto is navigating trends that are shaping life across many jurisdictions. Toronto's neighbourhoods have become more fractured along lines of income and identity. Opportunities related to technological and economic change have been unevenly distributed. Variations in social capital and trust leave some residents at increased risk of isolation. And extreme weather is becoming more frequent, raising concerns about the resilience of our built environment.

Over the next five years, Toronto—and by extension Ontario and Canada, whose economies and reputations are tied to their largest city—has an opportunity to address some of the pressing urban problems of our time, growing economically while thriving socially and culturally. The waterfront is the place where communities and city-builders are bringing some of their best ideas to life. The past 15 years have shown that with meaningful public engagement as well as thoughtful leadership and investment, urban places can be transformed from sites of industrial aftermath to centres of economic, social and cultural success.

Today, with government partners and other stakeholders, Waterfront Toronto is working to build a connected waterfront that belongs to everyone: a leading example of innovative and inclusive urban design, a magnet for investment and job creation, and a source of pride and inspiration for Canadians.

To create a waterfront that supports the outcomes that matter to Canadians we're thinking and building at the intersections of innovation and job creation, city-building and public good.



Located at the heads of three slips along Queens Quay, the WaveDecks are functional urban docks that have helped to turn a cramped sidewalk into a generous, accessible public promenade. Since they opened in 2008, the WaveDecks have earned nine urban design awards.

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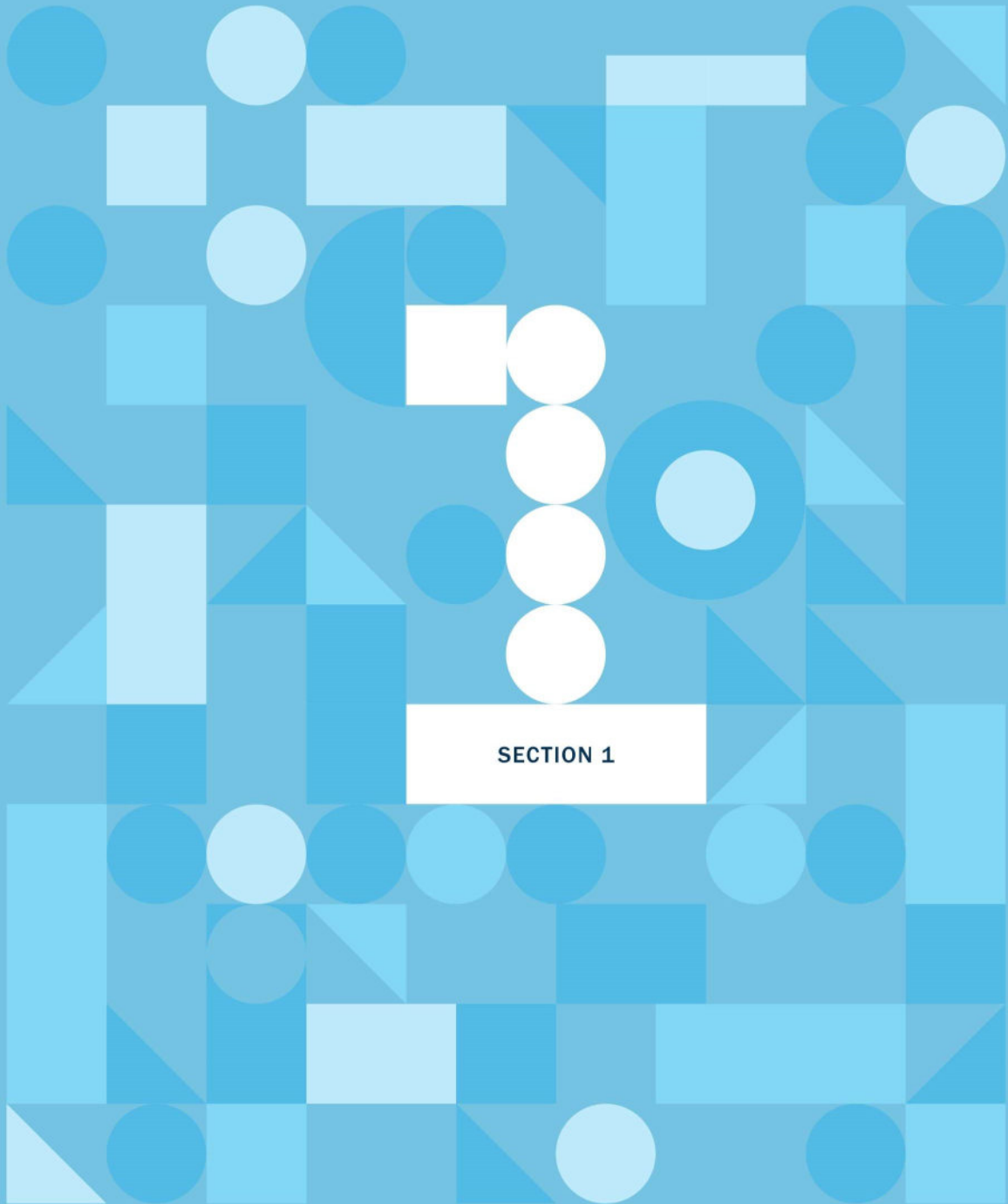
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Waterfront Toronto came together in 2001 to tackle big issues along the waterfront that only powerful collaboration across all three orders of government could solve.

The governments of Toronto, Ontario and Canada laid out a clear and ambitious mandate for Waterfront Toronto: to enhance the economic, social and cultural value of waterfront lands, and to create an accessible and active waterfront for living, working and recreation. Governments directed Waterfront Toronto to deliver these outcomes with a high degree of fiscal and environmental responsibility; in partnership with the private sector; with active public engagement and participation; and in a way that would ultimately make the continued growth and revitalization of the waterfront self-sustaining.

The pages that follow offer an overview of our work to date, and the substantial progress we've made in transforming the lands by the lake into one vibrant and connected waterfront that belongs to everyone.

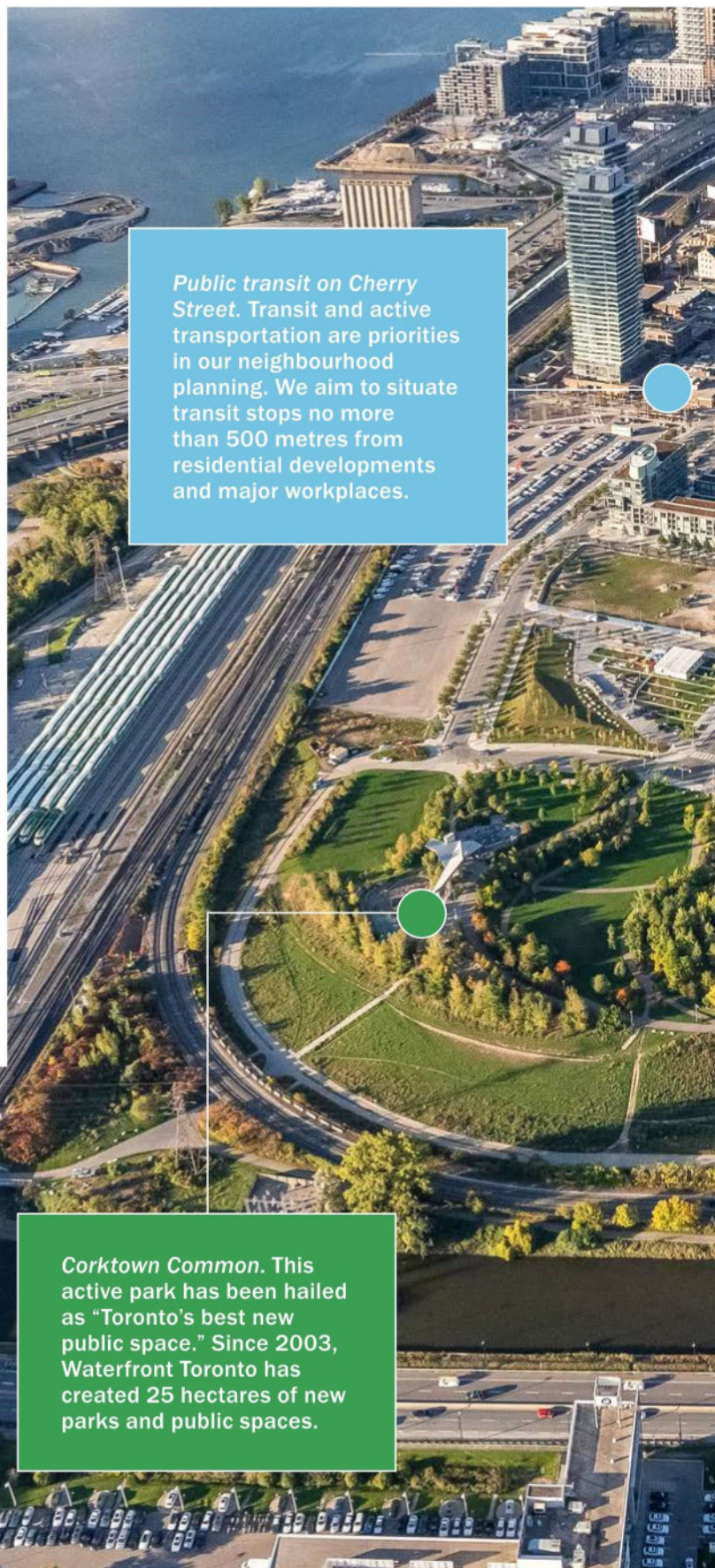
New Neighbourhoods

The West Don Lands, pictured here, is one of several new neighbourhoods whose development Waterfront Toronto has enabled.

In 2001, this 32-hectare tract of land was underutilized, and contaminated from past industrial use. We began by remediating the soil and crafting a community-informed master plan for the area, including plans for high-quality infrastructure and public spaces. This foundational work made the West Don Lands an attractive target for private-sector investment, enabling us to take parcels of land to market and earn a profit for taxpayers.

As private developers got to work on new residential and commercial buildings—designed and constructed according to our rigorous sustainability requirements—Waterfront Toronto partnered with Infrastructure Ontario and others to make sure the neighbourhood would include affordable housing, social services, and neighbourhood assets—in this case a YMCA.

Today, this area is home to thousands of people and many successful local businesses. In 2017/18 the West Don Lands won an Urban Land Institute Global Award for Excellence and was praised as, “a global showcase of city-building...that’s for and about the people it serves.”



Public transit on Cherry Street. Transit and active transportation are priorities in our neighbourhood planning. We aim to situate transit stops no more than 500 metres from residential developments and major workplaces.

Corktown Common. This active park has been hailed as “Toronto’s best new public space.” Since 2003, Waterfront Toronto has created 25 hectares of new parks and public spaces.



The Cooper Koo Family YMCA. Waterfront Toronto's planners make sure new neighbourhoods have the social infrastructure people need to connect locally.

New residential developments. So far, waterfront developments have added or have under construction almost 5,500 new residential units (a small share of these are under construction but most are occupied). In lands under Waterfront Toronto's control, we require 20% of all residential units to be affordable rental housing, and an additional 5% to be low-end-of-the-market ownership.



Underground stormwater infrastructure. Waterfront Toronto has added more than 11 kilometres of stormwater sewers, as well as 17.7 kilometres of sanitary sewers and watermains, to lakeside districts.

Site of lakefilling operations connected to Villiers Island. The creation of Villiers Island and related works are some of Canada's largest ever infrastructure initiatives. Waterfront Toronto has developed a community benefits plan that ensures these major public investments will do double duty: flood protecting the city while fuelling lasting and inclusive economic development by providing opportunities to people who face barriers to employment.

The Cherry Street Stormwater Management Facility. Slated for completion in 2020, this will be a state-of-the-science treatment plant that protects local ecosystems by treating runoff before it enters the lake. The treatment system will remove oil and sediment, and use ultraviolet light to disrupt harmful bacteria.

Flood Protection and Infrastructure

Toronto's financial district. The benefits of our flood protection work extend west to the financial district and east to Leslieville. Our past work has protected 210 hectares of land near the lake. Once fully realized, our Port Lands flood protection initiative will safeguard an additional 290 hectares, unlocking the development potential of prime land that represents more than a third of the designated waterfront area.

Waterfront Toronto was created to unlock the extraordinary potential of the lands along the lake. Flood protection is an essential part of that mission.

As extreme weather becomes more frequent, protecting the city from surging water is becoming an even more urgent imperative. Through Waterfront Toronto, the governments of Toronto, Ontario and Canada are investing to meet this challenge for the benefit of homeowners, businesses, neighbourhoods and the wider economy.

We've already made significant progress, delivering a critical flood protection landform at Corktown Common (see image). Our most substantial project, the Port Lands flood protection initiative, got underway in 2017 with a \$1.25 billion contribution from the three orders of government. It's expected to be completed in 2023/24.

In addition to protecting the city from flooding, we're adding important infrastructure to manage stormwater—creating channels that allow high volumes of runoff to flow safely away from neighbourhoods while protecting the health of the lake.

Flood protection structure. A beloved community park, Corktown Common is also a carefully designed part of the flood protection system around the Don River. Underground, a four-metre clay substructure reshapes the river's floodplain, helping to safely direct flow south to the lake when water surges.

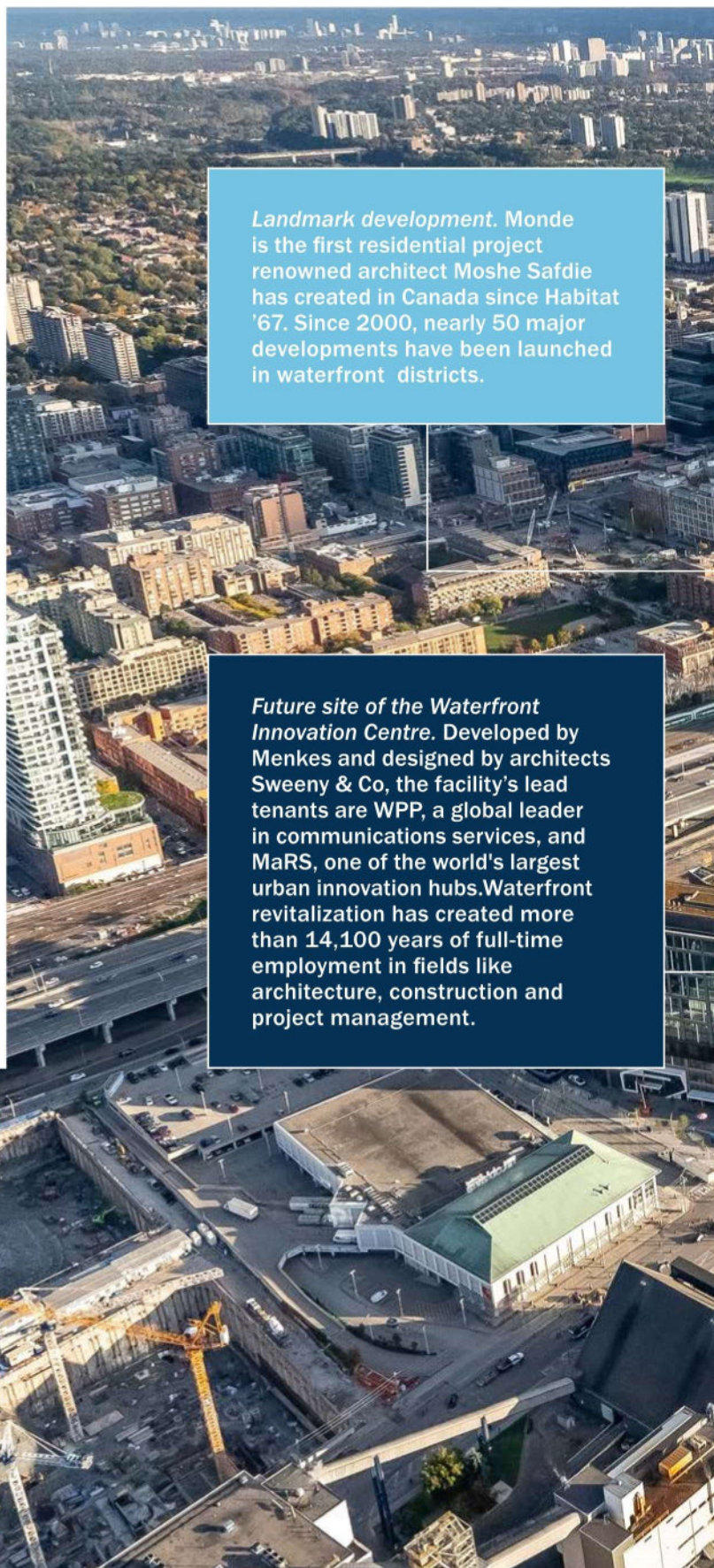
Attracting Investment

When Waterfront Toronto was created, the governments of Toronto, Ontario, and Canada pooled \$1.2 billion in seed capital to fuel an extensive program of waterfront revitalization. The goal was to unlock the latent value of prime lands along the lake—to build prosperity and enhance quality of life.

East Bayfront, the 23-hectare development pictured here, is just one area where we created the conditions for major job-creators and post-secondary institutions to locate on waterfront lands, activating an underutilized area and building momentum for further investment.

We've attracted developers, private firms and institutions by doing essential foundational work, like crafting excellent master plans, carrying out environmental remediation and flood protection work, and collaborating on key civic infrastructure. With strong partnerships across all three levels of government, Waterfront Toronto has been uniquely equipped to solve complex city-building challenges and move revitalization forward.

Government investments in Waterfront Toronto have realized over \$10 billion in new-private sector investment. The return on public sector investment has been \$4.1 billion in total economic output to the Canadian economy.



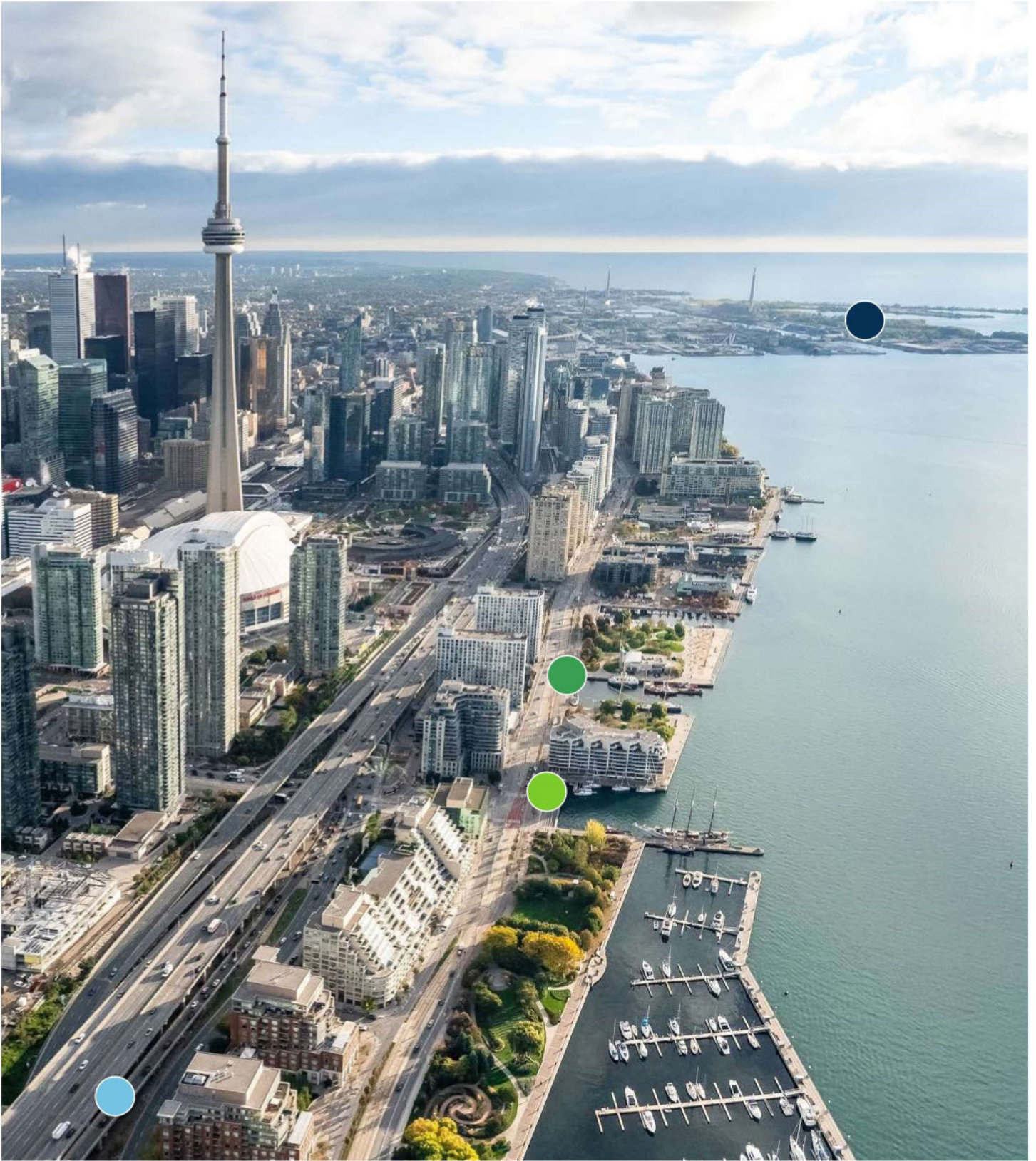
Landmark development. Monde is the first residential project renowned architect Moshe Safdie has created in Canada since Habitat '67. Since 2000, nearly 50 major developments have been launched in waterfront districts.

Future site of the Waterfront Innovation Centre. Developed by Menkes and designed by architects Sweeny & Co, the facility's lead tenants are WPP, a global leader in communications services, and MaRS, one of the world's largest urban innovation hubs. Waterfront revitalization has created more than 14,100 years of full-time employment in fields like architecture, construction and project management.



George Brown College's Waterfront Campus. In addition to classrooms, labs, and collaborative spaces, the Daphne Cockwell Centre for Health Sciences—promoted by the College as “one of the city's most architecturally striking learning environments, overlooking the Toronto harbour”—includes dental, hearing and other community health clinics that let students work with real patients in a supervised setting.

The headquarters of Corus Entertainment. High-quality infrastructure is one factor that's attracting major employers to waterfront districts. For instance, our partner Beanfield Metroconnect has used fibre optic technology to build Canada's first open-access ultra-high-speed broadband network, which makes internet speeds in waterfront precincts much faster than the North American average.



We led the transformation of Queens Quay from an unfriendly arterial road with ageing infrastructure to a balanced, modern street that invites people to enjoy the lakeshore. Today the area has updated infrastructure underground, more than 150 new trees, a generous granite sidewalk and still plenty of room for cars and light rail transit.

Waterfront Access and Connections

Providing safe and easy access to the shores of Lake Ontario is an important part of our work. To date, we've created over 13 kilometres of trails and promenades in key areas of the waterfront, as well as a range of parks and public spaces that facilitates active transportation and make it more fun for people to move through the city toward the water.

Every public space we create or redevelop is accessible according to the Access for Ontarians with Disabilities Act (AODA). This includes recreational trails and beach access routes, outdoor eating areas, outdoor play spaces, parking areas, service counters and other amenities.

In addition to making the water's edge more accessible to everyone, we ensure that new waterfront neighbourhoods are connected to the fabric of the city—with roads, transit service and active transportation routes. These links support the success of local businesses, make the waterfront a better place to live and help realize the vision of one connected waterfront that belongs to everyone.

Whether in parks, on beaches, or along public promenades, Waterfront Toronto has created more than 13 new linear kilometres of public waterfront access—like this stretch of the Water's Edge Promenade.



- We partnered with the City of Toronto to deliver The Bentway. In addition to providing new recreational space under the Gardiner Expressway, this linear park makes it easier and more pleasant to get to and from the lake on foot or by bike.
- The Queens Quay streetcar line is a key transit link to and across the waterfront. We've partnered actively with the City of Toronto, the TTC, and others to plan for intensified transit connectivity along the lake. Some new routes are already active, and bigger changes, like the East Harbour Transit Hub, are coming.
- The Outer Harbour Recreational Node, created in 2015, is a thoughtfully constructed outcropping that offers an accessible space for fishing, birdwatching and simply enjoying nature. We connected it to the Martin Goodman Trail, and made shoreline improvements to offer better habitat for fish, amphibians and native plants.
- The Martin Goodman Trail, which runs parallel to this stretch of Queens Quay, is a favourite route for cyclists and joggers. Waterfront Toronto has added more than 5,800 linear metres to the trail.

Sustainability

Sustainability and resilience are at the heart of Waterfront Toronto's mandate and approach. In every project we deliver, we strive for a win-win: a lakeshore that supports a thriving city while sustaining healthy ecosystems.

Our Minimum Green Building Requirements, which have guided the development of all new buildings on lands under our stewardship, have resulted in neighbourhoods with exceptional performance in energy consumption, low carbon emissions and reduced waste generation. Developments constructed in line with our standards have also realized 40% energy cost savings.

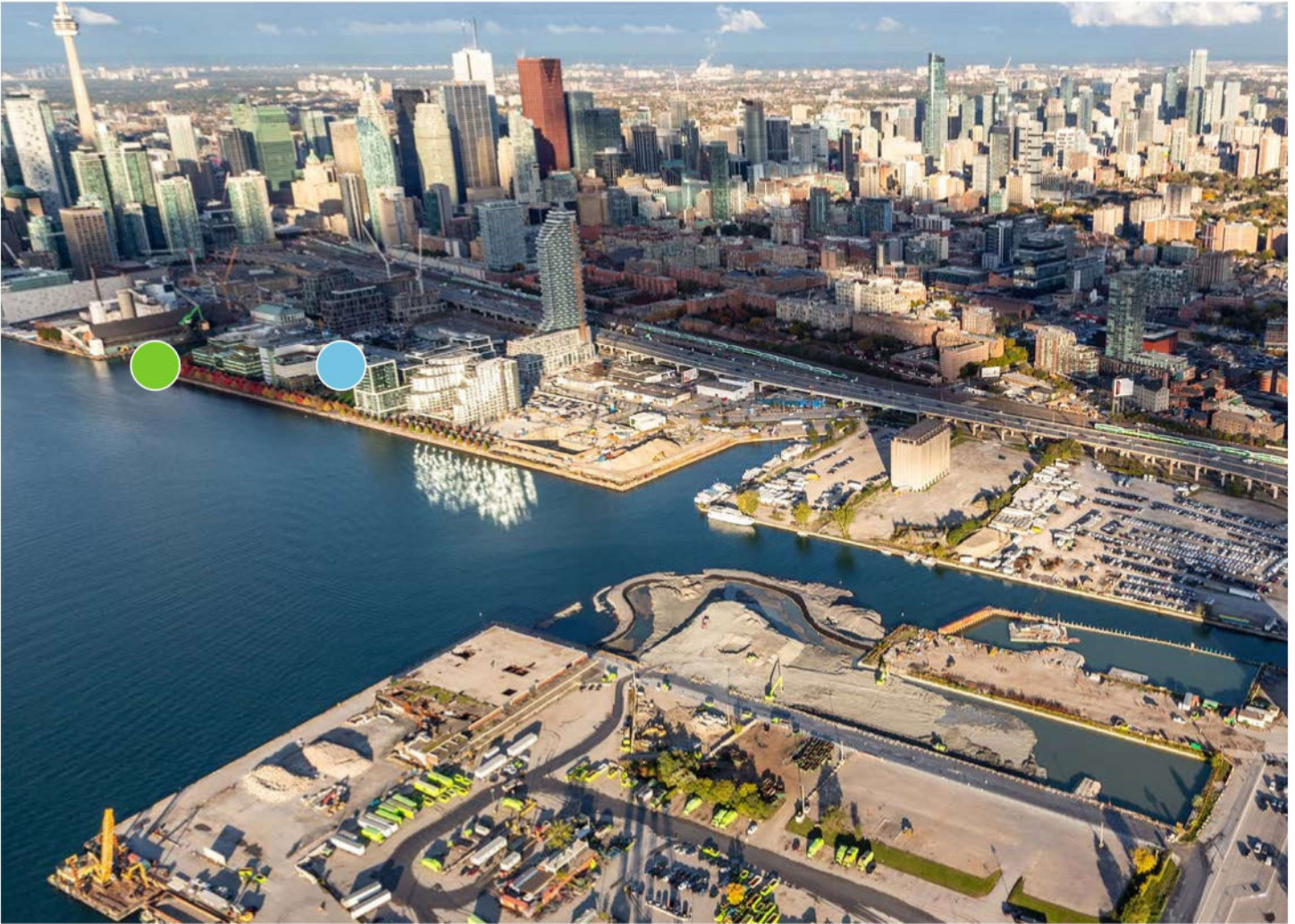
We've addressed contamination risk in more than 65 hectares of soil, supported the development of a healthy tree canopy and improved plant and wildlife diversity on land with carefully planned parks. Our work has also supported biodiversity in the water: we've enhanced over 118,000 square metres of marine habitat and carried out extensive shoreline remediation to create more supportive environments for fish and amphibians.

By guiding the creation of a greener built environment and supporting the health of ecosystems in and around the lake, we're creating a waterfront where people and nature thrive together.

Trees on the Water's Edge Promenade, like hundreds of others across the waterfront, benefit from soil cell technology. Soil cells are composed of a tiered web of rigid boxes that prevent soil from compacting under the weight of city pavement. When revitalization is complete, all waterfront trees that don't live in parks—about 16,800 of them—will have soil-cell technology to help their roots to spread and thrive, keeping them healthy as they grow to full maturity.

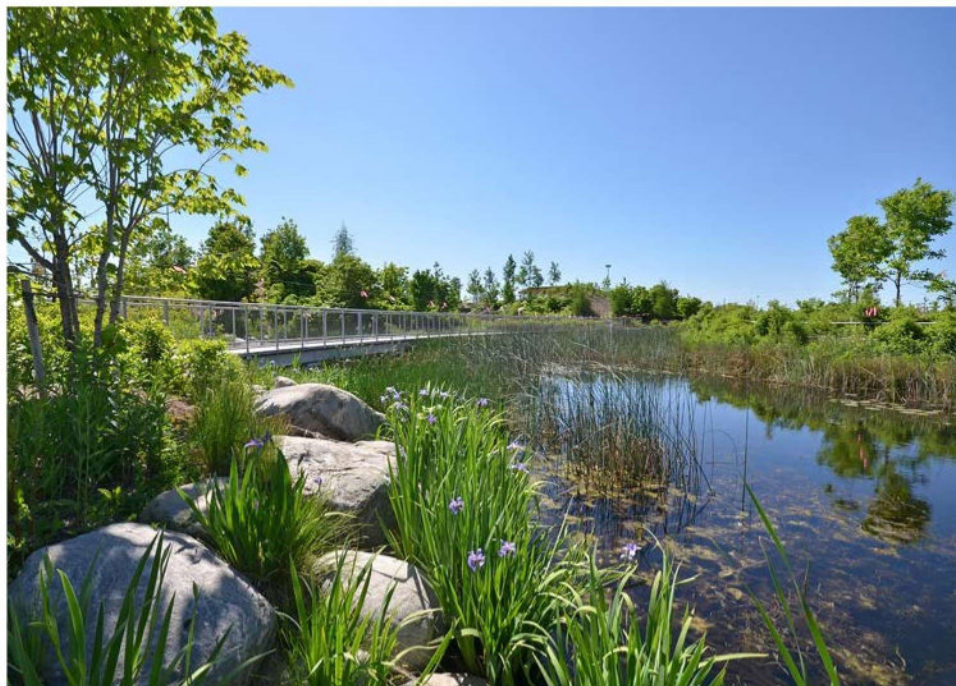
Aqualina at Bayside, a Tridel development, is a landmark in sustainable residential development. It's pursuing LEED Platinum certification and will include a Net-Zero Dwelling: a distinction units can earn when 100% of their energy is supplied by zero-carbon, on-site renewable sources. Waterfront Toronto's green building standards, which have supported a culture of sustainable design in lakeside districts, have been honoured with one of the field's most prestigious awards: the Globe Award for Environmental Excellence in Urban Sustainability.





BELOW: In addition to providing flood protection and amenities that enhance neighbourhood life—like an athletic field and a splash pad—the 7.3 hectare Corktown Common includes an extensive landscape of marshes, prairies and woodlands to promote biodiversity. Its plants are 95% native and Toronto-adapted species. The park's ecological richness has created a welcoming environment for wildlife and migratory birds.

LEFT: When we built the WaveDecks, we enhanced the marine habitat underneath by installing a variety of structures such as river-stone shoals, boulders, root balls and logs. These structures support plant growth and increase shelter and foraging opportunities. The number and diversity of fish species in the area have increased markedly over the last decade.





SECTION 2

Toronto is attracting growing international attention as an open, safe and inclusive city filled with opportunity. The next five years will be a defining time for Toronto—and the waterfront can be a place that embodies the city's values and ambitions, while communicating a unique identity to the world. Waterfront Toronto's government partners have an opportunity to harness growing development momentum in one of the world's most promising city-building landscapes, fuelling economic growth and innovation while prioritizing inclusion, enhancing quality of life and setting new standards in sustainability.

This plan describes how Waterfront Toronto proposes to extend its record of success, working with our stakeholders and the public to realize the next phase in a revitalization process that's already begun to establish the waterfront as a magnet for investment and jobs; a model for inclusive urban design and development; and a source of pride for Canadians.



"The Water Guardians," by Jennifer Marman and Daniel Borins, one of eight permanent public art installations in waterfront districts. While the strength of our public art program attracts outstanding artists from across Canada and around the world, all of our commissions to date have been fabricated in Ontario.

In 2001, the governments of Toronto, Ontario and Canada laid out a clear and ambitious mandate for Waterfront Toronto: to enhance the economic, social and cultural value of waterfront lands and to create an accessible and active waterfront for living, working and recreation.

Our Record and Approach

Since 2001, Waterfront Toronto has catalyzed the revitalization of nearly 100 hectares of land along the lake. Our work has added 25 hectares of new parks and public spaces, 13 kilometres of trails and promenades by the lake, roughly 5,500 new downtown housing units (nearly 600 of them affordable), and attracted \$10 billion in private-sector investment to waterfront districts, which has meant more than 14,100 years of full-time employment. With Port Lands flood protection underway, an additional 290 hectares of waterfront land will soon be unlocked for development—adding to the 210 hectares our past flood protection work has already safeguarded.

Waterfront Toronto has achieved these results through its distinct value-creation model and by playing a unique role in Toronto's development ecosystem, as a master planner, master developer, innovation partner, capital connector and trusted public steward. Throughout its history, Waterfront Toronto has built a reputation for meaningful public consultation, for fiscal responsibility and accountability, and for leading the way on sustainability and resilience in the built environment.

Our Plan for 2019/20–2023/24

Core Commitments That Guide Our Work

Waterfront Toronto envisions a connected waterfront that belongs to everyone. Work over the next five years will be grounded in three core commitments that advance our vision.

City-building. We will continue to contribute to the urgent global conversation about how to create better cities by addressing issues like affordability, mobility, connectivity and sustainability.

Innovation and job creation. We will continue to use smart planning and effective partnerships to create jobs and unlock even more of the enormous economic value of the waterfront.

The public good. We will continue to work in a transparent and accountable way while actively seeking public input to ensure that we're improving quality of life through every project we deliver.

Enabling Factors That Support the Delivery of Our Plan

A new enabler, to fuel our plan and strengthen our organization

Increased capacity related to philanthropy and partnerships.

Waterfront Toronto plans to develop new capacity in fundraising and partnerships beginning in fiscal 2019/20, understanding that philanthropy poses new opportunities as well as challenges, including significant resource implications for Waterfront Toronto. The Corporation obtained Qualified Donee status from the Canada Revenue Agency in 2017, which enables us to work alongside our partners at the City of Toronto to connect with institutions and private donors seeking to direct philanthropic investments toward civic placemaking projects and the public realm.

Existing enablers that are important to the delivery of our plan

Governance. Waterfront Toronto has always benefited from collaboration among the three governments. Over the next five years, continued coordination among governments across the range of mission-critical issues will strengthen Waterfront Toronto's ability to deliver this plan.

Borrowing powers. Our access to a \$40 million credit facility is a key financial foundation of this strategic plan, as it enables us to optimize cashflow throughout multiple project lifecycles. This is an important capability because the timing of the funding and/or revenues we receive and the infrastructure investments we need to make do not always coincide. Waterfront Toronto will continue to use our borrowing access responsibly, with full accountability to governments.

The Next Phase in Waterfront Revitalization: Projects 2019/20–2023/24

Over the next five years—in keeping with our mandate, guided by our core commitments and supported by the three enabling factors described above — Waterfront Toronto plans to deliver a portfolio of projects that represent the next phase in the revitalization of Toronto's waterfront. These projects, which harness a combined investment of \$1.5 billion over five years, are oriented toward expanding economic opportunity and increasing connectedness and mobility around the entire perimeter of Toronto Harbour: creating new destinations, a more seamless pedestrian experience and a more robust waterborne transportation system.



Waterfront Toronto's public consultation approach is designed to provide all participants with a realistic understanding of the goals of the process, how decisions will be made and the impact of their participation.





Sherbourne Common is the first park in Canada to integrate an ultraviolet (UV) facility for neighbourhood-wide stormwater treatment into its design. Collected stormwater is treated in an underground UV facility and released from three art sculptures into this 240-metre urban river channel. It flows across the length of the 1.5-hectare park and safely into Lake Ontario.

Priority Projects

The Port Lands Flood Protection. Enabled by a combined \$1.25 billion investment from the governments of Toronto, Ontario and Canada, this work will protect large areas of the city from flooding and unlock the development potential of 290 hectares of prime land.

Complete Communities. Through activities like master planning and infrastructure development, Waterfront Toronto will continue to ensure that the large parcels of land available for development by the lake are transformed into thriving neighbourhoods.

Public Places. Waterfront Toronto will complete work on three new waterfront parks, extend the Water’s Edge Promenade and continue to work toward an increasingly vibrant public realm—including the ongoing development of our internationally recognized public art program.

These three projects have funding commitments in place and work underway. We project that work on Waterfront Toronto’s Priority Projects will be 98% complete by the conclusion of this plan at the end of fiscal 2023/24.

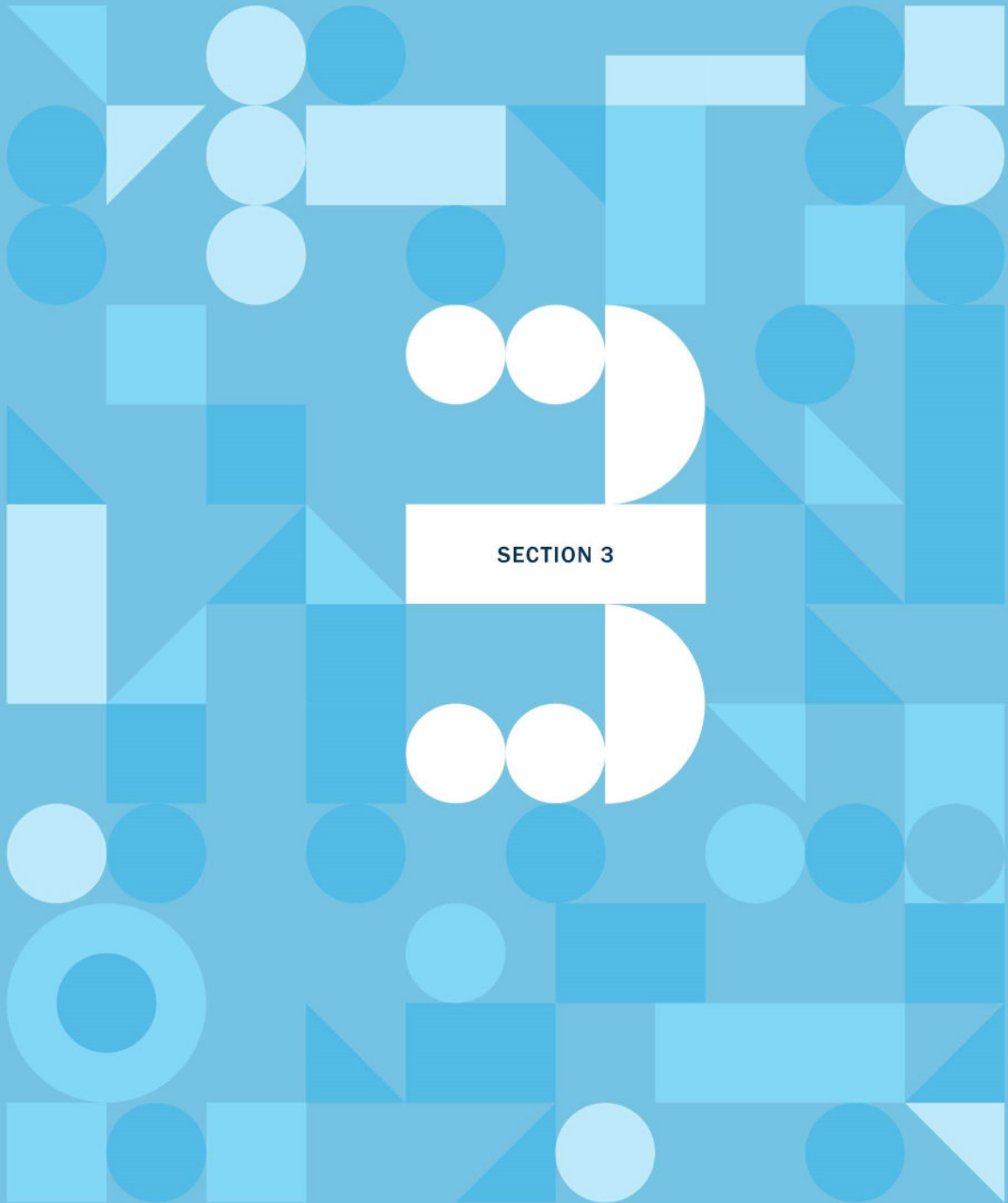
New Potential Projects

In partnership with other public entities, private philanthropists and the public, Waterfront Toronto will carry out due diligence to test the feasibility of four new projects that are currently unfunded:

- A continuous Waterfront Walk that offers a seamless pedestrian experience by the lake
- A new Signature Structure to capture Toronto’s identity and anchor an economic cluster
- An enhanced Jack Layton Ferry Terminal and Harbour Square Park
- A Destination Playground offering children immersive, nature-focused play

Moving Ahead

The plan that follows is a rolling five-year strategic business plan that will be updated annually as its projects evolve alongside regulatory, funding and other factors. Waterfront Toronto will maintain its accountability for the initiatives laid out in this plan and for the stewardship of the public resources entrusted to it. Details regarding funding and Waterfront Toronto’s framework to track its performance in delivering on public investments are included in the final section of this plan.



Waterfront Toronto plays a unique role in Toronto's development ecosystem. As a tri-government organization, we were built to collaborate—and we work effectively with a wide range of partners, from private developers and conservationists to community groups and social service agencies. This section provides an overview of how we create value for the public by catalyzing the development of underutilized lands. It describes our mandate, track record and core capabilities, and the mechanisms that help us meet high standards of transparency and accountability as we manage substantial public investments in waterfront revitalization projects. The pages that follow also articulate our work and philosophy when it comes to ensuring the public is meaningfully consulted in our planning, policy and design processes.

Mission & Mandate

Who We Are

Waterfront Toronto is working to create a vibrant, connected waterfront that belongs to everyone. As city-builders, we care about creating neighbourhoods, parks, destinations and infrastructure that makes people’s lives better.

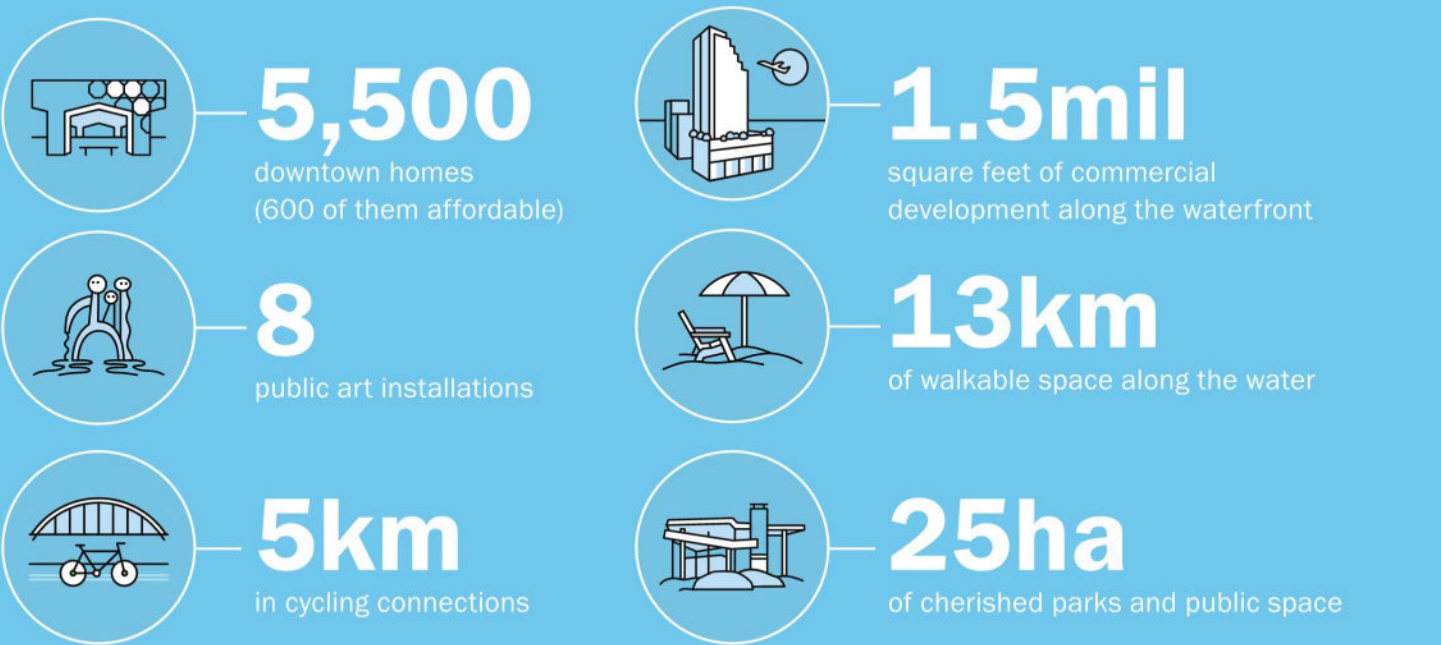
Mandate

Our organization was established in 2001 by the Government of Canada, the Province of Ontario and the City of Toronto to unlock the social, cultural and economic potential of the waterfront. Our mandate has been to apply best practices in urban revitalization—from infrastructure and new technology to leading strategies in design and sustainable development—to over 800 hectares of underutilized land along Lake Ontario.

Record

So far, we’ve led or catalyzed 2.5 million square feet of development along the waterfront, adding affordable housing, commercial space, aquatic habitat, critical infrastructure and beloved public spaces. Our projects have included the West Don Lands, Corktown Common, Underpass Park, Sugar Beach, Sherbourne Common, Queens Quay, East Bayfront, the Port Lands, Jack Layton Ferry Terminal and The Bentway.

What We’ve Realized So Far





Waterfront Toronto team members prepare to host a game about great public spaces at the Christie Pits Film Festival. Our public consultation work goes far beyond what's legally required for public projects: we engage residents and other stakeholders early, so there's time to truly understand and incorporate their insights to improve the quality and relevance of our projects.

Public Engagement: A Commitment to Transparency & Accountability

Since its creation, Waterfront Toronto has prioritized the role of public consultation in revitalizing the waterfront. We work collaboratively with individuals, communities and our partner organizations across the GTA to generate new ideas, solve problems and meaningfully incorporate the knowledge and lived experience of the public into our planning, policy, and design processes. We believe community engagement must be conducted in a clear, transparent manner that provides all participants with a realistic understanding of the goals of the process, how decisions will be made and the impact of their participation.

Our Guiding Principles Are:

Act with Clarity and Purpose

We act with purpose, communicate our goals with accuracy and we are honest with stakeholders about their impact on the decision-making process.

Commit to an Ongoing Process

We acknowledge that engagement is an ongoing process of dialogue, dissent, consensus building and learning. We continuously evaluate our approaches, maintain a sustained dialogue with our partners and revisit our assumptions to ensure we are achieving our goals.

Support Diversity and Inclusion

We work hard to eliminate barriers to participation and to ensure representative, diverse and inclusive engagement.

Cultivate Collaboration

We recognize that city-building is a shared responsibility that requires coordinated efforts. We are committed to sharing knowledge, decision-making and resources.

Waterfront Toronto Spectrum of Engagement

To keep pace with new standards of engagement, Waterfront Toronto has expanded its approach to ensure that the public is given an even greater opportunity to provide meaningful feedback on projects. In keeping with recognized international best practice, we've recently adopted a spectrum of engagement with categories added for "listening" and "co-creation." These new categories respond to the increasing need for people to be heard and actively involved in the creation of planning and development processes.

We currently plan, deliver and synthesize a range of public feedback opportunities that include: digital surveys, focus groups, advisory committees, community information and feedback sessions, "pop up" community activations, person-on-the-street intercepts, comment walls, questionnaires, townhalls, walking tours, newsletters, dedicated project websites, creative programming, outreach on social media and public roundtables. After every formal community consultation, we report back to participants on how their feedback was incorporated into the overall plans through our meeting summaries, websites, blogs and newsletters.



Core Capabilities

Our mandate lays out a distinct and multi-faceted role for Waterfront Toronto. We work as master planners, master developers, innovation leaders, trusted public stewards and capital connectors. No other organization in the development ecosystem brings together this unique combination of core capabilities.

01

Master Planner / Waterfront Toronto is a leader in city-building. Our integrated approach to planning and design has laid the foundations for successful neighbourhoods, thriving local economies and vibrant public spaces. Design excellence combined with thoughtful planning and an iterative process that involves the public has enabled groundbreaking, win-win solutions in waterfront districts.

02

Master Developer / As a development partner, Waterfront Toronto is uniquely able to work with public officials and regulators to develop innovative solutions that build prosperity while protecting the environment and the public interest. For instance, in the West Don Lands, Waterfront Toronto worked with Infrastructure Ontario and Toronto Region Conservation Authority to find a way to develop River City in concert with flood protection infrastructure—resulting in a vibrant neighbourhood in an area that had previously been closed to development due to flood risks.

03

Innovation Leader / Since its inception, Waterfront Toronto has emphasized innovation. We source and curate leading-edge materials, processes, and technologies—and we apply the most effective solutions to every project delivered on the waterfront. From green building standards that have been recognized internationally to the first ultra-high-speed broadband network in Canada (delivered with our partners Beanfield Metroconnect), we ensure that waterfront developments lead the way.

04

Trusted Public Steward / The backbone of Waterfront Toronto's work is its long-standing commitment to genuine public engagement. As a trusted public steward, we've established the most consultative approach in Canada and we continue to find new ways to bring the public into shaping the future of the city. For example, this year we restructured our approach to public participation around the IAP2 international standard, a recognized best practice for involving the public in an honest, meaningful and effective way.

05

Capital Connector / We are a nimble connector that leverages public resources to attract private investment. Through powerful collaboration across all three orders of government, we use public funds to initiate carefully chosen waterfront revitalization projects, and then convene a broad range of vital partners—regulators, private sector partners, technical experts, non-profit organizations and communities—to ensure those projects reach their full potential economically, socially and ecologically.



Waterfront Toronto has....established both tri-government funding [and] tri-government buy-in. Despite challenges...interviews with funding partners indicate that Waterfront Toronto has developed credibility in delivering waterfront renewal and provided a vehicle for intergovernmental cooperation that would otherwise be absent.

—
Ernst & Young LLP, Independent Performance Assessment
of Waterfront Toronto, 2015

Surveying by the Keating Channel. This work is part of the Port Lands flood protection initiative, which began in December 2017 and is expected to be complete by the final year of this plan: 2023/24. See pages 8-9 and 46-47 for more on this transformative project.



How We Create Value

Since 2001, nearly 50 major developments have been launched in waterfront districts. The combined construction value of these developments is estimated at nearly \$21.5 billion, including several projects that have already been completed, are under construction or are expected to enter the market in the coming years within and near the central and eastern waterfront areas.

Waterfront Toronto's role in the extraordinary growth of development in the previously underutilized lands along the lake unfolds in five key phases:

01

Governments give Waterfront Toronto oversight of the use of public lands.

02

As Master Planner, Waterfront Toronto creates holistic master plans for waterfront precincts, laying the foundations for complete communities where people have everything they need to live, work and play.

03

Given the contaminated, poorly serviced and isolated nature of waterfront lands, Waterfront Toronto shares risk with developers to attract private investment to revitalize the waterfront. In addition to taking the lead on critical infrastructure, we support a range of municipal approvals such as zoning, affordable housing commitments and management of any environmental issues. These enabling activities allow developers to assume the marketing, financing and construction risks.

04

Once the lands have been prepared for development, Waterfront Toronto brings them to market through a competitive process.

05

All Waterfront Toronto development projects have attracted considerable interest from developers and private investors, with returns on public investments typically amounting to multiples of the original outlay.



Fiscal Responsibility and Accountability

Waterfront Toronto is committed not only to the careful and transparent management of public funds, but to continually refining our processes and systems to ensure that we're able to generate the greatest possible public benefit with the resources entrusted to us. Over the next five years, Waterfront Toronto will continue to demonstrate the openness, accountability, fiscal prudence and pursuit of design excellence that have defined our approach from the beginning. This approach has earned us a reputation as leading city-builders with an unwavering commitment to the public good.

Procurement Approach and Record

Waterfront Toronto's procurement policy is designed to be fair, open and transparent. We aim to achieve maximum value for our stakeholders, invite competitive bids and proposals, and ensure accountability for purchasing decisions through well-defined authorization and oversight protocols. Since our founding, we have entered into 2,110 contracts with 782 suppliers, most of whom are in Canada. Information about our procurement history is available on our website.

Culture of Accountability

Waterfront Toronto aims to foster a culture where everyone embraces and stands up for the public-interest mission of our organization. To that end, we have a **Wrongdoing Policy**, which empowers employees and other stakeholders to voice any concerns in areas ranging from unethical business conduct to health and safety violations. In 2016 we appointed an independent, third-party **Accountability Officer** to receive and investigate any such reports. We also have an official **Code of Conduct** that offers guidance to our team in areas such as conflict of interest, ethical decision-making and the handling of confidential information.

Project Planning and Management

Over the last 15 years, Waterfront Toronto has executed about 50 projects, managing a total investment of \$1.3 billion. This entire project portfolio, with the exception of one project, has been delivered without material deviations in either schedule or cost. In 2017, as we embarked on larger-scale projects like the Port Lands flood protection initiative work, we further formalized our approach to project management and oversight with the creation of the **Capital Program Management Office (CPMO)**, which both streamlined and strengthened our policies and controls. The CPMO develops project-oversight dashboard reports that update senior management, board members and the three orders of government on project status and key risk areas, as well as any budget, cost, scope and schedule variations. In the event that a project in process begins to present an increased risk of cost overruns, Waterfront Toronto has clear and effective mechanisms for adjusting its approach to avoid going over budget.

Delegations of Authority

Waterfront Toronto has carefully designed processes to **direct, control and monitor financial actions** taken by our team members. The Board delegates and delimits varying degrees of financial authority to senior management, management and employees in a framework designed to minimize risks and maximize efficiencies in the conduct of our business.

Openness and Transparency

Each December Waterfront Toronto's Board of Directors adopts a publicly released **Corporate Plan** for the upcoming year; our progress is monitored against this plan and reported at least quarterly. At the end of each year we release audited financial statements and an **Annual Report**, which formally reports on our progress against the previous year's plan. In cases where our results differed from our plan, we make this information clear and easy to access.

Audit Environment

Waterfront Toronto operates in a rigorous audit environment:

- **External audits.** In keeping with legislation, Waterfront Toronto's year-end financial statements are audited annually; we've had 16 such audits since our inception.
- **Internal audits.** In addition to required audits, soon after its creation Waterfront Toronto adopted the best practice of voluntarily undergoing regular, outsourced internal audits. Since 2004, we've undergone 19 audits focusing on areas of our operations ranging from procurement to project management to cybersecurity.
- **Government audits.** As part of their oversight role, the three governments perform regular audits and performance reviews of Waterfront Toronto. To date, governments have audited us on 16 occasions.

In all, over the last 15 years, Waterfront Toronto has been the subject of over 50 audits; we've used their findings to steadily strengthen and enhance our fiscal responsibility and accountability practices.

Governance and Oversight

As a tri-government organization, Waterfront Toronto is fully accountable to the governments of Canada, Ontario and the City of Toronto. A number of oversight bodies shape the work of Waterfront Toronto.

- **Our Board of Directors**, which includes members appointed by all three orders of government (see p.37), guides our strategy, authorizes our investments and appoints our CEO.
- **The Intergovernmental Steering Committee**, composed of senior officials from the three orders of government, is a forum where

Waterfront Toronto and senior government stakeholders can strategize and exchange information on waterfront revitalization.

- **Government waterfront secretariats**, composed of dedicated staff at each of the three governments, provide operational oversight and support in the delivery of our mandate.

Expert Insights

Waterfront Toronto is proactive in ensuring that our work is guided by field-leading experts and aligned with best practices.

The Capital Peer Review Panel engages some of the industry's top experts in specific industry areas—such as infrastructure, project execution, and audit—to offer advice on project and program risks in developing, procuring, and implementing large projects and programs.

The Digital Strategy Advisory Panel is an arm's-length body tasked with providing Waterfront Toronto with objective, expert advice on the responsible use of data and technology across all waterfront projects, including Quayside. It provides insight on ethics, accountability, transparency, protection of personal privacy, data governance and cyber security.

The Design Review Panel includes some of Canada's leading experts in architecture, landscape design, engineering, and planning, and draws on their insights to support design excellence in waterfront precincts.

The Independent Capital Project Monitor (new in 2018) supports the Finance, Audit and Risk Management Committee of the Board in its project risk oversight role on the Port Lands flood protection initiative.

Board & Committees

Waterfront Toronto's Board of Directors is made up of 12 members, including a chair, jointly appointed by the three orders of government. Our directors are highly engaged in the corporation's activities and ensure that our mandate is delivered in an accountable and transparent manner. As of December 6, 2018 our Board has two vacancies.

Helen Burstyn, CM

Chair of the Board
of Directors, Managing Director,
Crescent Investment Partners

Mohamed Dhanani

Special Advisor to the President,
Ryerson University

Stephen Diamond

President and CEO, DiamondCorp

Meric Gertler

CM FRSC MCIP FAcSS FBA

President, University of Toronto

Susie Henderson

North America Leader, Infrastructure
Investment & Economics GHD Advisory

Mazyar Mortazavi

President & CEO, TAS

Michael Nobrega

Former President and CEO,
OMERS Administration Corporation

Sevaun Palvetzian

CEO, CivicAction

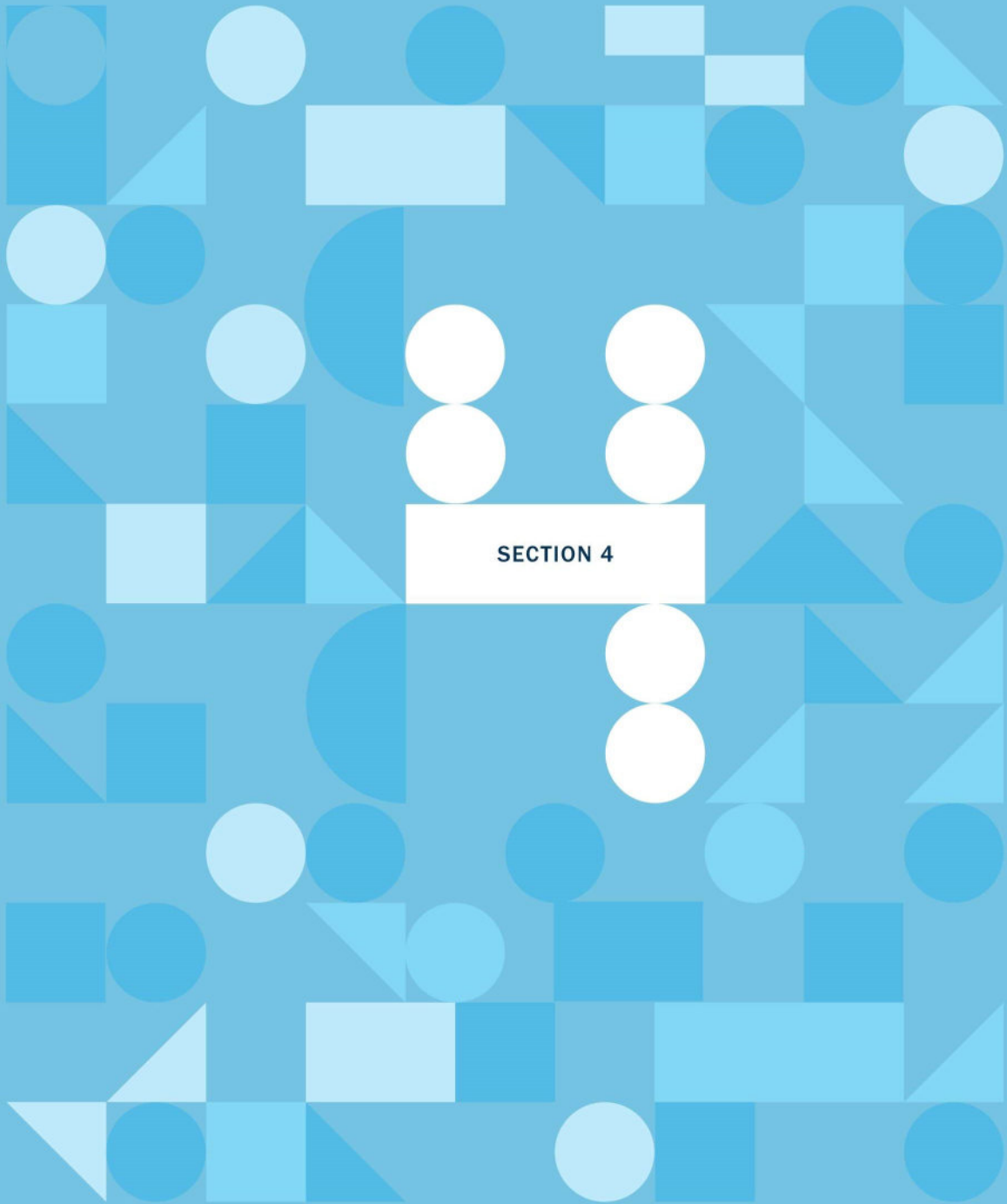
Janet Rieksts-Alderman

Managing Director, BRG's
Global Capital Projects

Jeanhy Shim

President and Founder,
Housing Lab Toronto

	Finance, audit & risk management committee	Stakeholder relations committee	Chairs committee	Investment, real estate, & Quayside committee
Mandate	Financial reporting, audit, enterprise risk management, and project risk management	Public engagement, communications, partnerships	Human resources, government relations, governance	Quayside, development projects, and real estate transactions
Chair	Janet Rieksts-Alderman	Sevaun Palvetzian	Helen Burstyn	Susie Henderson Mazyar Mortazavi
Other members	Susie Henderson Jeanhy Shim	Mohamed Dhanani Meric Gertler Jeanhy Shim	Susie Henderson Mazyar Mortazavi Sevaun Palvetzian Janet Rieksts-Alderman	Stephen Diamond Meric Gertler Michael Nobrega



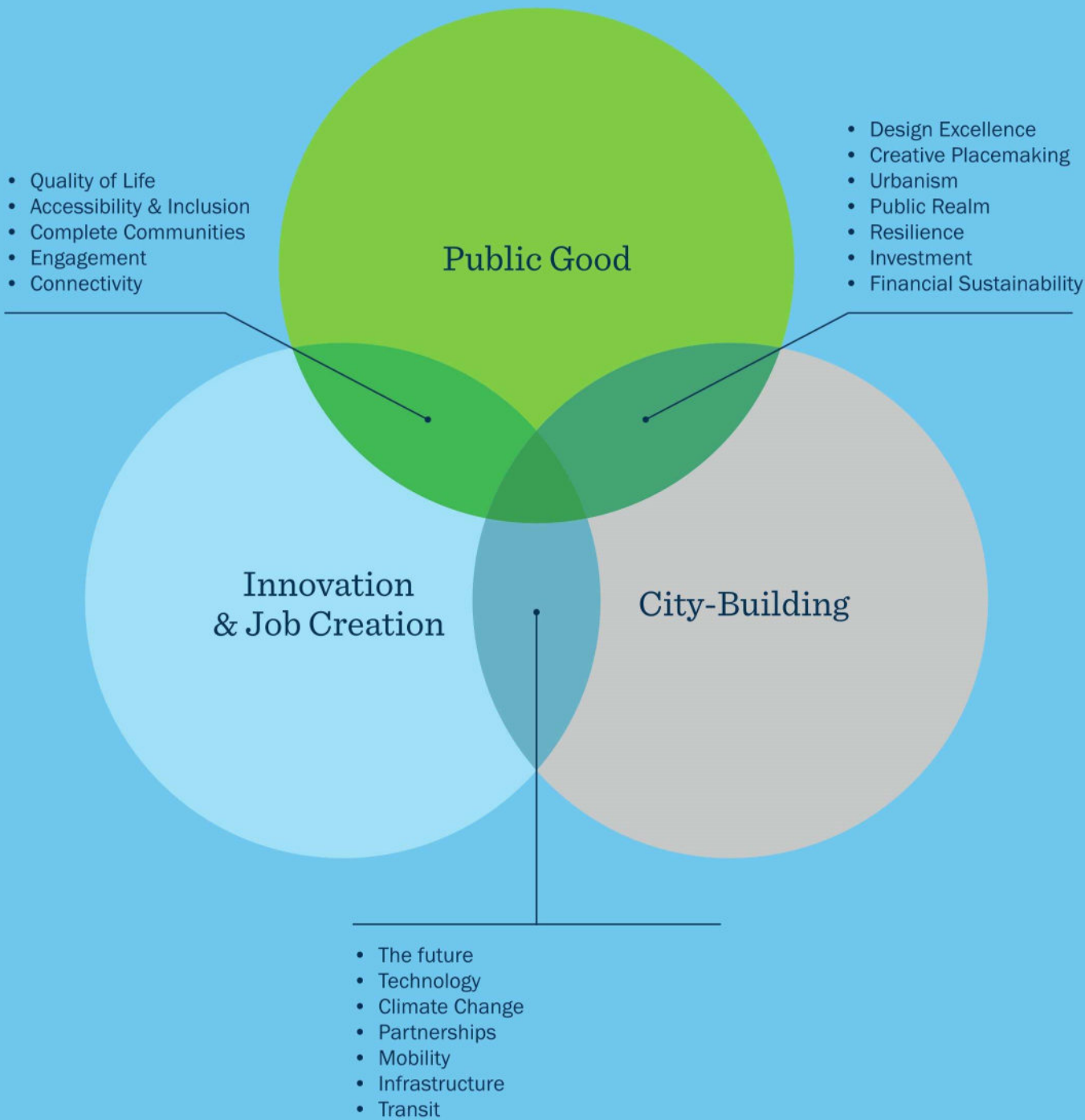
**OUR PLAN FOR 2019–2023:
BUILDING A CONNECTED WATERFRONT THAT BELONGS TO EVERYONE**

Since Waterfront Toronto was created, we've delivered more than four dozen capital projects on the lands along the lake—transforming almost 100 hectares of underutilized space into active urban places. Although our projects are diverse, they're all powered by our expertise in city-building, our focus on innovation and job creation and our unwavering commitment to the public good.

This section summarizes the projects we plan to deliver over the next five years. Some are already underway. Others will break ground during the life of this plan. And still others are areas of new potential—ideas and possibilities we intend to explore with our stakeholders and the public as we continue to work together for a vibrant, prosperous, and connected waterfront.

Our Core Commitments

Enhancing the Social, Economic
and Cultural value of the waterfront





Waterfront Toronto has built a reputation for creating public spaces that quickly become local favourites. The key ingredient of projects like Sugar Beach (above) and Corktown Common (right) is thoughtful design informed by meaningful public consultation.



Our Strategic Priorities

Over the next five years, Waterfront Toronto will advance four strategic priorities that build upon our mandate and explore the potential of the waterfront to not only build prosperity and enhance life in Toronto, but to contribute to the urgent global conversation about how to create better cities. Three of these priority areas are long-standing and foundational to our organization and mandate:

01

City-Building / Already a thriving and diverse global centre, Toronto remains one of the most exciting city-building opportunities on earth. Over the next five years we are delivering initiatives that address core issues such as affordability, mobility and connectivity, sustainability and the resilience of the built environment.

02

Public Good / At the heart of everything Waterfront Toronto does is an unwavering commitment to public good, which is reflected in our vision—one connected waterfront that belongs to everyone—and in our strong focus on public engagement. We work hard to be transparent and accountable, while actively seeking public input to ensure that we’re improving quality of life and the well-being of people and communities across every project we deliver.

03

Innovation and Job Creation / We are part of a worldwide community of practice that’s using cutting-edge building methods, groundbreaking urban design, talented people and emerging technology to provide critical infrastructure and to support more sustainable ways of living. Through smart planning and effective partnerships, we’re creating more jobs and unlocking the enormous economic value of the waterfront.

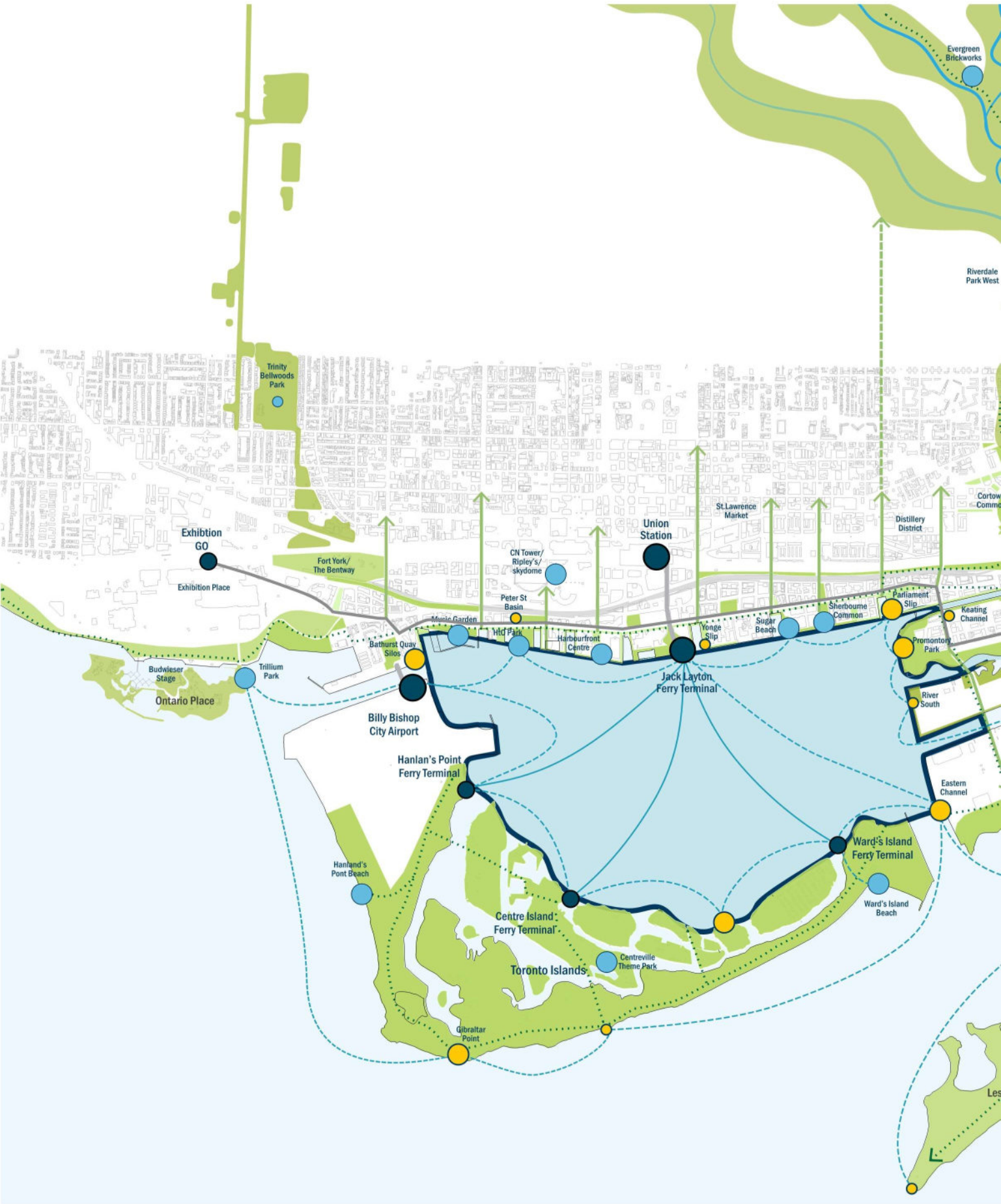
During our 2019–2024 planning horizon, we will pursue a fourth, enabling priority in order to build our capacity to pursue the three priorities just described.

04 **Enabler**

Financial sustainability / Over this next phase, Waterfront Toronto will pursue new partnerships and philanthropic support. We will foster new collaborations to advance our city-building mission, to engage new partners in waterfront revitalization and to benefit the public—all while diminishing our reliance on government investments.



The revitalized Queens Quay is the first route in Toronto whose design aligns with the City's Complete Streets Guidelines. Complete streets are carefully planned to be safe for everyone: people of all ages and abilities, and people who walk, bicycle, take transit, or drive.



More Connections to More Destinations

Our vision is one connected waterfront that belongs to everyone. Successful waterfronts around the world tend to share at least one key ingredient: waterfront promenades that connect people to great places and activities. Toronto's waterfront already has some elements of a great promenade: boardwalks, bike paths, parks and ferry service to the Toronto Islands. But connectivity around and across the harbour remains limited.

The goal of the next five years is to leverage the framework of connections around the harbour as a foundation for longer-term evolution. All of the projects outlined in this five-year strategic plan are oriented toward filling in gaps in the ring of destinations and connections that surround the harbour—whether by creating new parks, equipping emerging neighbourhoods with high-quality infrastructure, expanding the potential for travel on land or across the water, or creating inviting new destinations. These new projects will move Toronto's waterfront to the next level of revitalization, unlocking its potential and affirming Toronto's position as a leader in city-building, urban design, sustainability, resilience and quality of life.



DESTINATIONS

- Existing
- Emerging/Future

CONNECTIONS

- Inner Harbour Loop
(Proposed Enhanced Pedestrian Access)
- Existing Transit Hub
- Existing Ferry System
- - - - Potential Waterborne Transportation Routes
- - - - Waterfront Trail System

The Port Lands / Flood Protection for Prosperity, Resilience and Sustainability

The Port Lands flood protection initiative is our single largest target for investment over the next five years, and an urgent contribution to the prosperity and well-being of Toronto. First, this work will protect a large number of existing assets from flooding: affected areas include parts of Leslieville and South Riverdale. Second, it will create prosperity by unlocking the development potential of 290 hectares of prime land; this area has been previously unavailable for development due to its extreme vulnerability to flooding. And third, it will improve the natural environment around the Don River and create new opportunities for residents and visitors to connect with nature, wildlife and the lake.

Our work in the Port Lands involves extensive soil remediation and earthmoving work around the mouth of the Don River, which will dramatically enhance the area's resilience to extreme weather. Projections indicate that a \$1.25 billion public investment in flood protection—made jointly by the governments of Toronto, Ontario and Canada—will add \$5.1 billion in economic output to the Canadian economy, create 51,900 full-time years of employment and generate \$1.9 billion in government revenue. The Insurance Board of Canada has stated that these investments in flood protection “will make this community safer for residents and stronger for economic growth.”



PAST: In June 2017, the municipal, provincial and federal governments affirmed a shared \$1.25-billion public investment in the Port Lands flood protection project. Since that time, Waterfront Toronto has undertaken planning and design work, tested methodologies for soil remediation, and analyzed engineering techniques for the ambitious earthmoving initiative.



PRESENT: Work on Cherry Street Lakefilling began in 2017, including lakefilling, marine landscaping and dockwall reconstruction. In early 2018 we undertook survey work to inform final designs and the construction approach, as well as demolition and site preparation. Excavation and soil remediation will begin in the winter of 2018–19. We will also work to finalize designs for the streets, bridges, parks and other infrastructure that will serve the future Villiers Island community and connect it to the mainland.



FUTURE: Over the next five years, the area around the mouth of the Don River will be transformed. The foundations for development of new places to live and work on Villiers Island will take shape—including new transit connections and cycling facilities. New parks and natural habitats will connect the Port Lands to a 195-hectare network of greenspaces through the GTA's ravine system. The project will be complete in the final year of this plan: 2023/2024.



[F]lood protection radically alters the river's environmental health, as well as the linear industrial geography of the Port Lands and therefore the destiny of the city. It is a project for the ages that will deservedly draw the attention of the world's great cities.

—
John Lorinc, Spacing Magazine, June 29, 2017



Waterfront Toronto is truly walking the talk on how to build a healthy, sustainable neighbourhood. Their significant infrastructure investments and world class parks and public spaces are making East Bayfront Toronto's next great district. We're thrilled to have been able to work with Waterfront Toronto on our 'City of the Arts' community and we're looking forward to moving our Head Office into this vibrant new neighbourhood."

Mitchell Cohen, President and CEO Daniels Corporation

Complete Communities / Planning and Partnering to Build Strong Foundations for New Neighbourhoods

Through careful planning and effective partnerships, Waterfront Toronto optimizes the use of large parcels of land available for development along the waterfront. We work as master planners, developing detailed precinct plans that ensure new neighbourhoods include the supports and amenities people and businesses need to thrive over time. In addition to housing and commercial space, new waterfront neighbourhoods benefit from high-quality infrastructure, services like child care and elder support, and transportation links to the rest of the city. After developing comprehensive plans for smart development, we partner with developers, businesses, community agencies and governments to bring the plans to life.

This plan anticipates \$186 million in investments toward the planning and development of complete communities along the lake. Notable projects that are underway today or expected to commence over the next five years include the development of a complete-community plan for the neighbourhood that will eventually exist on Villiers Island; extending the Queens Quay revitalization work eastward to Parliament Street; completing infrastructure such as roads, stormwater systems, and dock reinforcements for the new Bayside and Dockside neighbourhoods; and further extending (through Bayside) the Water's Edge Promenade—a walkway that's substantially increasing public access to the water while improving mobility along the shore.



PAST: Waterfront Toronto has laid the foundations for several thriving neighbourhoods—like East Bayfront (22.3 hectares) and the West Don Lands (32 hectares; see pages 6-7). We've also laid important groundwork on waterfront transit: completing environmental assessments for transit to East Bayfront, the West Don Lands and the Port Lands, and collaborating on transit planning with the City of Toronto, the TTC and other agencies.



PRESENT: Today we're working with development partners to obtain municipal approvals and building permits for several new residential buildings, including a \$200 million, 296,000 square foot mixed-use development with Anishnawbe Health Toronto that includes a community health centre, a hotel and purpose-built market rental units. Meanwhile, an earlier collaboration is coming to fruition as Monde, a \$320 million, 476,000 square foot residential building designed by Moshe Safdie, prepares for occupancy in early 2019.



FUTURE: The completion of key infrastructure including sewers, pipes, and a new Sanitary Pumping Station are important parts of our work in the near term. More broadly, we'll continue working with our partners to realize holistic visions for waterfront neighbourhoods. For instance, the Waterfront Innovation Centre, part of a growing technology corridor by the lake, began construction in 2018; we're beginning to work with our development partner Menkes to manage leasing arrangements for this innovative facility.

The splashpad at Corktown Common. The park is an active, year-round gathering place in the West Don Lands neighbourhood.

Public Places / Inviting Parks and Destinations That Connect People and Neighbourhoods

Waterfront Toronto creates great parks and public spaces that respond to local needs and strengthen the broader urban fabric by connecting communities with their neighbours, including across potential barriers like underpasses and rail lines. Guided by meaningful public consultation and a strong commitment to design excellence, our parks have not only earned numerous awards but quickly become beloved local gathering places. The strength of our record on public spaces has also attracted new partners and supporters. For example, as community groups, philanthropists and the City of Toronto began to conceive plans for The Bentway, they decided to engage Waterfront Toronto for help realizing their vision for this innovative linear park based on the success of public spaces we'd created in other waterfront districts.

Our current five-year strategy allocates a total of \$56 million for work on public places. This funding will go toward completing work on two new waterfront parks—York and Rees Street Parks, which will add a combined 1.74 hectares of green space near an increasingly populated stretch of Queens Quay—and toward the substantial completion of the construction of The Bentway's pedestrian and cycling bridge. This funding envelope will also support the completion of enhancements to the Jack Layton Ferry Terminal; we're creating a more appealing and functional entrance plaza that's better able to accommodate growing traffic at the facility. This phase of work is fully funded and we're on track to complete it over the next year. We've also developed a vision for a more extensive modernization of the ferry terminal, a separate phase of work that's currently unfunded (see “New Potential” on page 53).



PAST: To date we've created or improved 25 hectares of parks in waterfront districts. Our projects have included Sherbourne Common, Corktown Common, The Bentway, Sugar Beach, extensive improvements to the Martin Goodman trail, among many others.



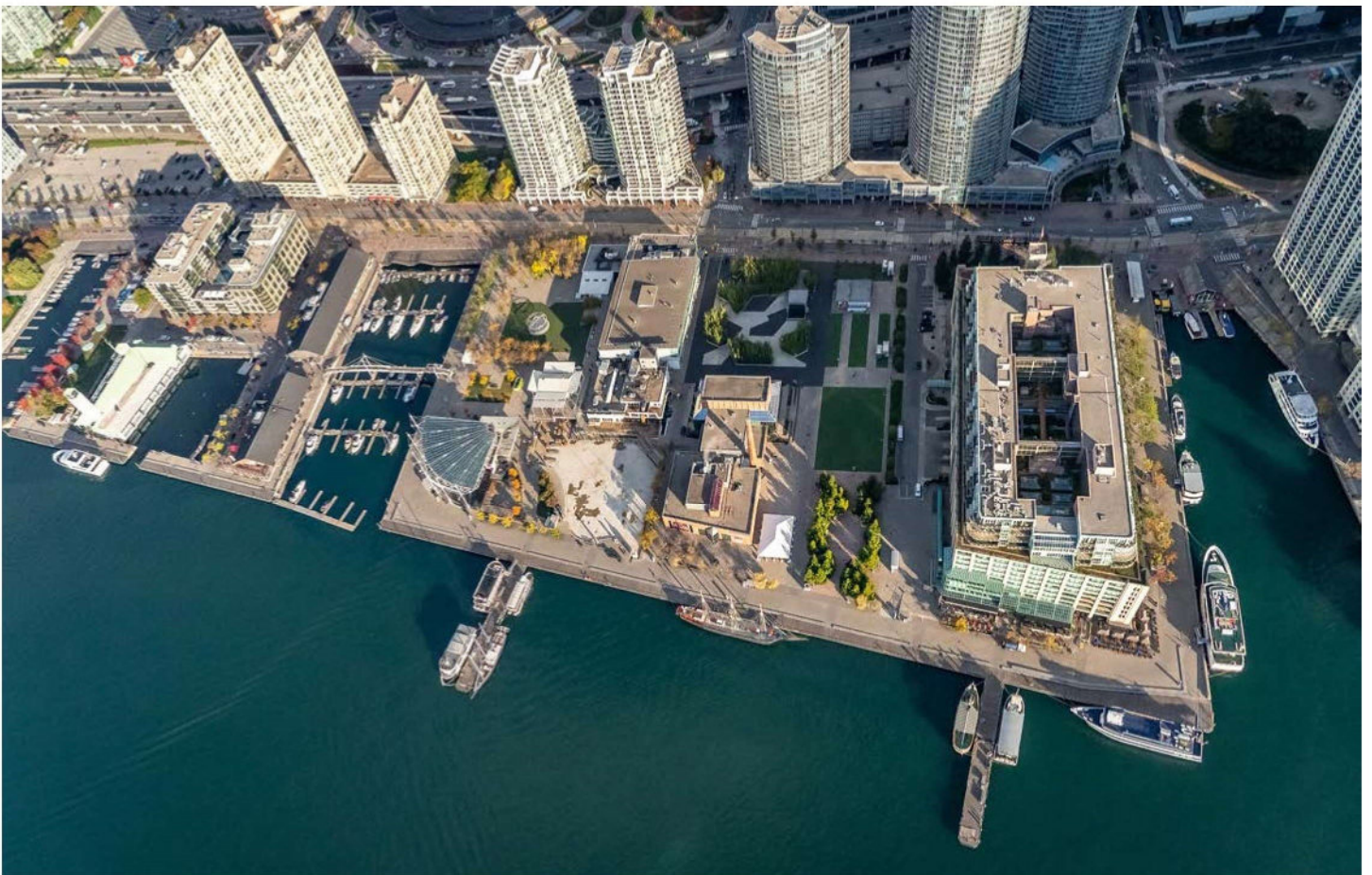
PRESENT: This year we held successful design competitions for the York and Rees Street Parks, selected successful designs, and started work on creating these badly needed green spaces. We are also poised to complete planned enhancements to Jack Layton Ferry Terminal.



FUTURE: Over the next five years, we'll continue to roll out our internationally recognized public art program and respond to partnership requests on new parks and promenades. We also hope to engage partners and supporters to realize new public places by the lake (see New Potential sections on pages 52–55) that will further enhance mobility and public enjoyment along the waterfront.

RIGHT: Underpass Park, a Waterfront Toronto project, was featured in a 2017 exhibition at New York’s Cooper Hewitt Smithsonian Design Museum that focused on inclusive city-building. The curators chose this as an example of collaborative design that responds to community needs.

BELOW: Waterfront Toronto’s public realm work is strengthening connections around the harbour in many ways—with increased pedestrian access, new parks that make the landscape more inviting and improved marine infrastructure to support waterborne transportation.





New Potential

Public Places / New Potential

NEW POTENTIAL / An opportunity to boost mobility and enhance greenspace

Jack Layton Ferry Terminal and Harbour Square Park.

Robust ferry systems define cities like Stockholm, Sydney and San Francisco. They link visitors to destinations, workers to jobs and residents to the region. In Toronto, the Jack Layton Ferry Terminal serves an important but limited function: it is constrained by the size of the ferries and the terminal structure. Built in 1972, the current terminal is increasingly stressed by the growing demand for trips to the islands—and expanding service cannot be easily supported. In partnership with the City of Toronto, Waterfront Toronto launched an international design competition to establish a compelling vision for an expanded Jack Layton Ferry Terminal and the park surrounding it. In collaboration with City of Toronto Parks, Forestry and Recreation division, Waterfront Toronto plans to study potential funding and financing models that could realize this vision while limiting the demands on municipal funding.

NEW POTENTIAL / A continuous walkway that connects people and places

Waterfront Walk. Our work to date has already dramatically expanded the number of places where people can reach the water's edge: on promenades, on playful structures like the WaveDecks at Queens Quay, or on the nearly six kilometres we've added to the Martin Goodman Trail. One of our most exciting opportunities over the next five years is to close the gaps in this growing series of lakeside pedestrian routes: to lead the design and construction of a continuous Waterfront Walk, running from the Portland Slip in the West to the Parliament Slip in the East. This cohesive promenade along the water's edge would make the shore even more active and inviting, and would help the waterfront as a destination continue on its evolution toward becoming vastly more than the sum of its parts. We've already conducted preliminary research on exceptional waterfront promenades in cities around the world. When we invited the public to identify what the top priorities for Toronto's future waterfront should be, a continuous promenade was the top answer, with over 44% of respondents prioritizing a better connected waterfront. Over the course of this plan we will pursue discussions with relevant public agencies including City of Toronto Parks, Forestry and Recreation and other potential partners about how to work together to realize this vision.

A continuous Waterfront Walk would offer pedestrians an unbroken route along the downtown lakeshore, dotted with destinations to pause and enjoy—like this candy-striped granite rock at Canada's Sugar Beach, near the foot of Jarvis Street.

Public Places / New Potential (continued)

NEW POTENTIAL / A destination playground for fun and healthy development

Destination playgrounds, immersive play environments for children that emphasize engagement with local ecosystems, are increasingly popular in urban regeneration movements. Their attraction is explained partly by a growing body of evidence affirming that nature play can have a powerful positive effect on children's health and development. Notable examples of the destination playground form include a facility in Christchurch, New Zealand, a cornerstone of the city's recovery plan after the 2011 earthquake, and Maggie Daley Park in Chicago. Waterfront Toronto envisions a 3.6-acre destination play area with distinct zones tailored to children at different developmental stages—and we see clear potential to begin working toward this vision over the life of this strategic plan. The City of Toronto Parks, Forestry and Recreation division is keenly aware of the value of—and the public's interest in—the destination playground model; we're collaborating to explore bringing a unique version of the form to Toronto. Waterfront Toronto and the City of Toronto will work together to seek alternative funding to create a new favourite place for children by the lake.

NEW POTENTIAL / A distinctive structure to anchor and animate the surrounding public realm

Signature structure. Exceptional waterfronts often feature unique structures that become icons of their cities. The best of these structures—the Sydney Opera House is a prime example—come to define their waterfronts, anchoring local economic and cultural activities while communicating a unique identity to the world. There are several waterfront sites that have the visibility and scale suitable for a signature building or structure that would provide a magnetic gathering place, activate the surrounding public realm and catalyze new economic clusters. Over the next five years, Waterfront Toronto plans to assess the potential for a signature structure on the waterfront: consulting the public and potential partners to determine the appetite for such a project, what form it might take and where financial capacity might exist to bring it to life. One possibility for a landmark structure could be an innovative sustainable building that houses a centre of excellence in a distinct field or discipline—for instance, in the growing ecosystem of science, biomedical, environmental, human and social sciences. This site could be an architecturally significant building that also showcases Canadian leadership in an important area. Other possibilities—such as bridges or unique connective structures—could perform a different role but make important contributions to the dynamism and connectedness of the waterfront.



A rendering of one possible approach to the Destination Playground project at Promontory Park (see facing page for project description), a new park planned for the western tip of Villiers Island.



Next-Generation Sustainable Communities / Working at the Intersection of Green Innovation and Inclusive City-Building

Waterfront Toronto has a record of innovation when it comes to new neighbourhoods along the lake. A decade ago we introduced Minimum Green Building Requirements to ensure that new developments on the waterfront would lead the way on sustainable design; these standards have since won international awards and been recognized as a landmark in Toronto's evolution toward a greener built environment. In 2005 we created Toronto's first independent design review panel, gathering leading experts and city-builders to ensure that waterfront revitalization projects would work together to create beautiful, visually coherent neighbourhoods along the lake. Today, at Villiers Island, a new Port Lands district currently in its planning stages, we're striving to create one of the world's first climate-positive neighbourhoods.

Quayside is our most recent exploration of what an innovative community by the lake can be. The neighbourhood has the potential to create a precedent-setting approach to building sustainable, inclusive and prosperous communities. Building on the strength of Toronto's already-thriving tech sector, Waterfront Toronto is also working to create a global hub for a new industry focused on urban innovation—an emerging field that is capable of developing smart, scalable ideas to improve the quality of city life not only in communities across Toronto but in urban centres around the world. Waterfront Toronto's partnership with technology and other firms is just one example of what's possible for Waterfront Toronto as the corporation explores new ways to leverage advanced materials, entrepreneurship, intellectual property and partnerships to draw new revenue models and funding channels.

The Waterfront Innovation Centre, a 350,000 square foot office and retail facility now under construction at 125 Queens Quay East. According to Urban Toronto, this Menkes development, the majority of its space already leased, will "support the emergence of East Bayfront as a prime waterfront live-work-play community within minutes of Union Station."



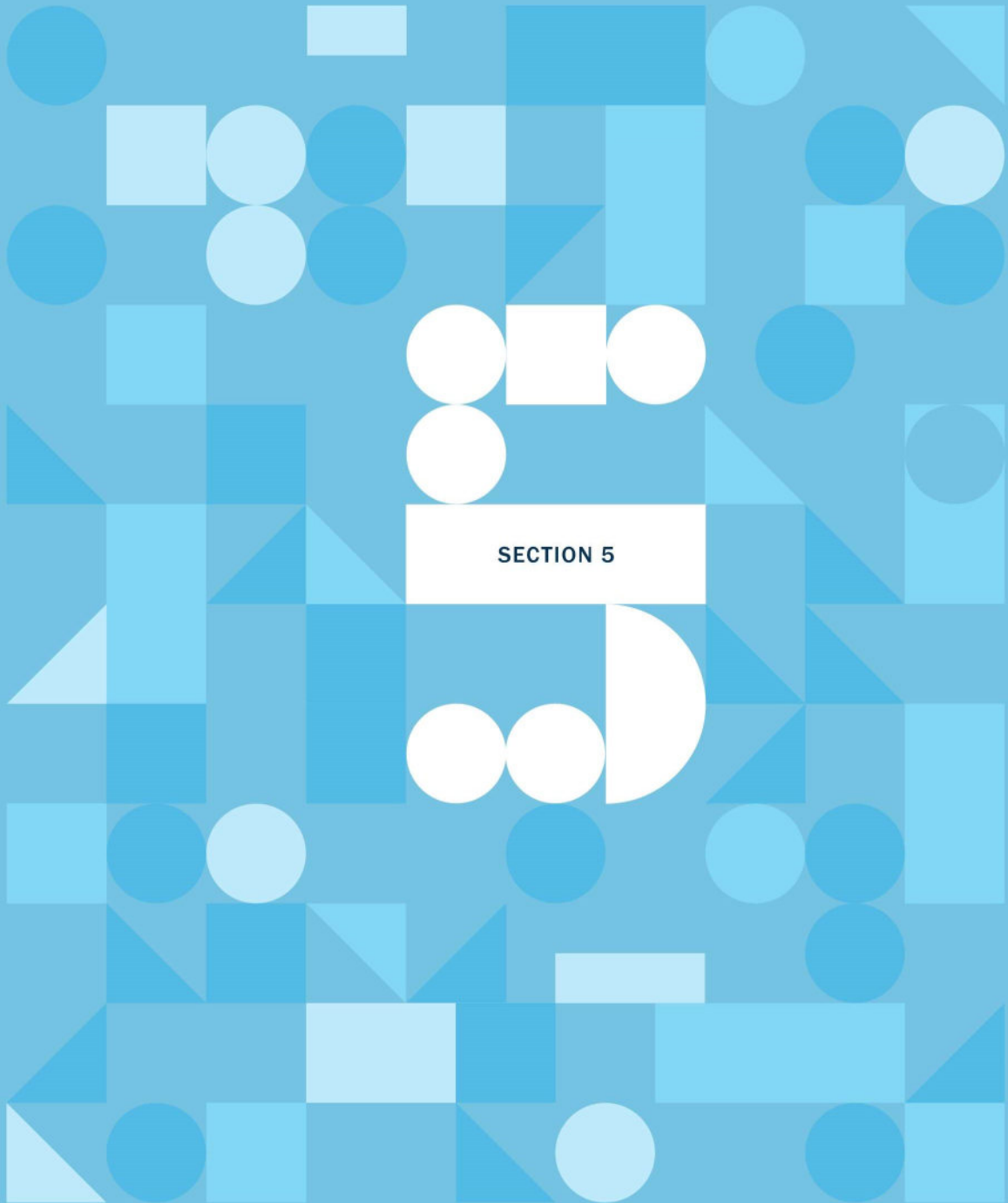
PAST: Innovation and sustainability have been central to Waterfront Toronto's city-building approach from our earliest projects. Indeed, our Minimum Green Building Requirements helped inform the standards that are now used across the City of Toronto.



PRESENT: We recently launched a new Resilience and Innovation Framework for Sustainability, the next chapter in our continually evolving approach to green city-building. We're also working with Sidewalk Labs to explore the possibilities of a community where advanced technology supports the outcomes—economic, social, and environmental—that matter to Canadians.



FUTURE: Waterfront Toronto will receive a Master Innovation and Development Plan (MIDP) from Sidewalk Labs early in 2019, proposing an approach to the revitalization of Quayside. We'll consider this plan against our established evaluation criteria, and in consultation with government stakeholders and the public. We expect to issue a decision on whether to proceed with the plan by the end of 2019. If our Board of Directors approves the plan, we'll begin work on implementation agreements amid continued consultation with all stakeholders. Implementation would be subject to municipal approvals, as well as federal and provincial regulations.



Waterfront Toronto has a record of achieving strong results with the public resources entrusted to us and of managing public investments with efficiency and transparency. This section presents an overview of the resources that will fuel our work over the next five years, and lays out the capital investments we expect to make as we deliver the next phase of waterfront revitalization. The pages that follow also outline some of the structures that guide our work—such as our risk management framework and our performance measurement system—and help us to ensure that our organization is positioned for resilience, accountability and success.

Business Model and Funding

This strategic plan covers the period from April 1, 2019 to March 31, 2024. Over the next five years Waterfront Toronto anticipates government funding contributions totalling roughly \$1.1 billion and land contributions in kind totalling \$86 million, as well as \$92 million in revenues from sources such as leases and land sales, for a total of approximately \$1.3 billion from fiscal 2019/20 through 2023/24.

Waterfront Toronto will invest this funding in key infrastructure related to its priority initiatives: The Port Lands flood protection initiative (\$1.0 billion), Complete Communities (\$186 million), Public Places (\$56 million), Next-Generation Sustainable Communities (Quayside) (\$10 million) as well as Strategic Initiatives and Other, such as office space, technology, and capacity, required to deliver these projects (\$24 million). These planned investments total approximately \$1.3 billion. Investments across these project areas support Toronto City Council-approved precinct plans and have been articulated in our past business and implementation plans.

We anticipate that these investments of public funds will yield returns that considerably exceed the original outlay. To date, through the business model described on pages 32 and 33, the \$1.2 billion in public funds invested in our work have stimulated over \$10 billion in new private-sector investment. Details on the economic benefits of our work are detailed in the Performance Measurement section on page 67. Key project milestones associated with our investments over the next five years, as well as financial plan details, are outlined in Appendix 1, which focuses on the next fiscal year (2019/20), and Appendix 2, which focuses on the full five-year planning horizon (2019/20-2023/24).

Our access to a \$40 million credit facility is a key financial foundation of this strategic plan, which optimizes the use of cash throughout multiple project lifecycles. This is an important capability because the timing of the funding and/or revenues we receive and the infrastructure investments we need to make do not always coincide. Waterfront Toronto will continue to use our borrowing access responsibly, with full accountability to governments.

5-Year Outlook

Waterfront Toronto has already received funding commitments from governments for the work described above: the Port Lands flood protection initiative, and the continuation of approved projects related to Complete Communities and Public Places (see pages 48 to 51). By the conclusion of our five-year planning period in 2023/24, we expect these projects to be 98% complete.

In addition to our core, funded projects, we've identified four new initiatives that are consistent with our mandate and for which we see considerable potential for new partnerships and private philanthropic support. Three of these projects (Destination Play, Waterfront Walk, and Jack Layton Ferry Terminal and Harbour Square Park) would fall under our "public places" project portfolio; the fourth (Signature Structure) would be a potential anchor for a complete community and economic cluster. The realization of these projects would require \$400 million over ten years. While the four "New Potential" projects are currently unfunded, our plan is to source initial new funding to complete initial business cases and feasibility studies prior to proceeding further.

Waterfront Toronto plans to develop new capacity in fundraising and partnerships beginning in fiscal 2019/20. A vital first step in this work was realized in 2017 when we obtained Qualified Donee status from the Canada Revenue Agency under the Income Tax Act. This new status will enable us to work alongside our partners at the City of Toronto to connect with the growing number of institutions and private donors who are enthusiastic about directing philanthropic investments toward civic placemaking projects and the public realm. We'll undertake this new partnership and philanthropy work based on shared values and principles, and with the aim of developing an appropriate funding/fundraising model that diminishes our reliance on government funding and realizes new opportunities that advance our mission.

The five-year outlook summarized in this document may change; any revisions to the funding and investment mix expressed in this strategic plan will be reflected in future documents, including the one-year plans that we'll continue to publish annually. The next such corporate plan is forthcoming in December 2019. The areas Waterfront Toronto understands to be most subject to change include:

- *Implementation of Quayside MIDP.* This Rolling Five-Year Strategic Plan is currently limited to the evaluation of a Master Innovation and Development Plan (MIDP). The implementation of the MIDP and the approval by Toronto City Council of a Business and Implementation Plan are not reflected in this plan as they are not yet defined.
- *Waterfront transit.* Government plans are not finalized, and therefore our potential planning and coordination role in the delivery of transit by the lake is uncertain.
- *Villiers Island implementation.* Similar to Quayside, a Business and Implementation Plan will be required for the new neighbourhood on this city-owned parcel of land and will also be subject to approval by Toronto City Council.

Five-Year Investment Plan

Complete figures underlying this visualization of our planned investments over the

	2019/2020	2020/2021
Strategic Initiatives/Other	\$5.6	\$5.1
Public Places: York & Rees Street parks, public art, ferry terminal upgrades, The Bentway	\$13.2	\$12.0
Complete Communities: master planning, civic infrastructure, and environmental work	\$50.8	\$51.3
Next Generation Sustainable Communities: master innovation and development plan for Quayside	\$10.4	
Port Lands: flood protection and related infrastructure	\$245.1	\$264.7
New Potential: currently unfunded; see pages 52 to 55		\$9.8
Total Investment Plan	\$325.1	\$342.9

The next five years are in Appendix 2.

Figures are in millions

2021/2022	2022/2023	2023/2024
\$5.3		
\$17.6	\$5.0	
\$48.4	\$10.6	\$3.4
	\$23.3	\$2.6
		\$12.2
\$224.6	\$171.7	\$108.6
		\$97.3
\$29.5	\$69.0	
\$325.4	\$279.6	\$224.1

Corporate Operating Costs

Waterfront Toronto acts as a project delivery agent for the three orders of government. The responsibilities and obligations of each government and of Waterfront Toronto are defined under contribution agreements or delivery agreements that cover specific projects and initiatives. Under these agreements Waterfront Toronto is typically contracted to plan and build municipal infrastructure assets; once these assets are complete, they're transferred to the City of Toronto to own and maintain.

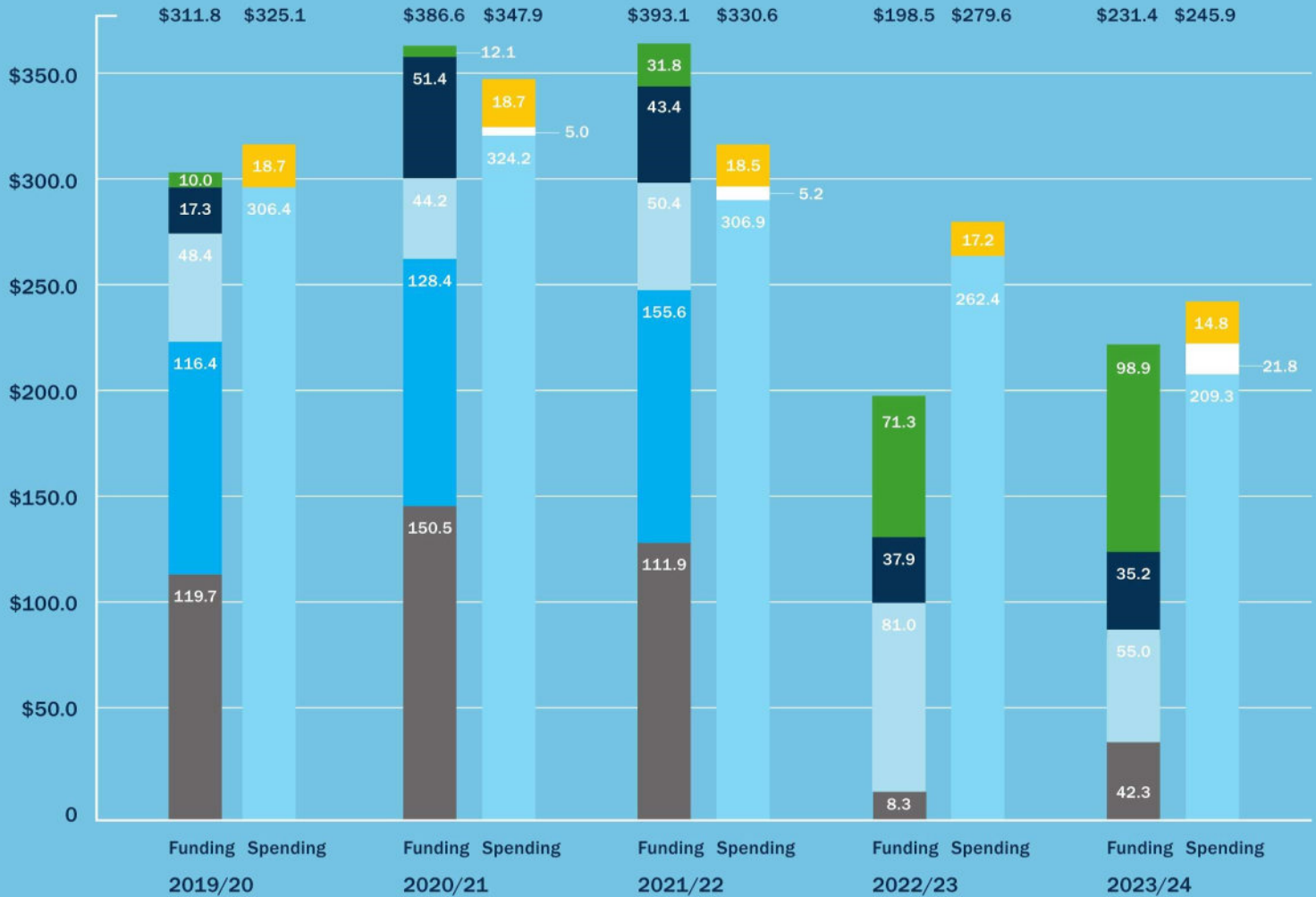
In carrying out this role, Waterfront Toronto incurs corporate operating costs related to our staff team and contractors, office space, technology (basic office tools as well as specialized project management and financing software), communications (which includes public engagement activities such as town halls, as well as outputs like our website and annual reports), and transparency and accountability (for instance, internal and external audits and fees for experts on our oversight bodies such as the Capital Independent Monitor for the Port Lands and the Design Review Panel).

These expenditures, which directly support the projects Waterfront Toronto delivers, represent about six percent of the total direct capital expenditure under our management. In the past, the costs associated with Waterfront Toronto's project delivery work have not been fully covered through our funding agreements with governments and the shortfalls have been covered from revenue streams, such as land sales and property rental income. One objective of this plan is to move toward funding arrangements in which Waterfront Toronto can recover the full project management costs required to achieve the results governments task us with delivering.

Corporate Operating Costs	2019/20	2020/21	2021/22	2022/23	2023/24
Operating Expenditure (OpEx)	\$ 18.70	\$ 18.70	\$ 18.50	\$ 17.20	\$ 14.80
Capital Expenditure (CapEx)	\$ 306.40	\$ 324.20	\$ 306.90	\$ 262.40	\$ 209.30
Total Expenditures	\$ 325.10	\$ 342.90	\$ 325.40	\$ 279.60	\$ 224.10
% OpEx of CapEx	6%	6%	6%	7%	7%

Figures are in millions

Waterfront Toronto's funding and spending mix 2019/20–2023/24



Figures are in millions

The chart above summarizes Waterfront Toronto's funding and expenditure mix over the next five years. The visualization illustrates:

- that the vast majority of our planned expenditures are direct capital investments (94%)
- our strategic objective of diversifying our funding sources beyond governments
- planned expenditures that are currently unfunded are mainly all “New Potential” projects
- the planned creation and maintenance of a contingency reserve of at least \$25 million. We intend to use funds from the sale of Waterfront Toronto-owned land to create this fund, and hold the resources in reserve as a program level contingency and to cover any costs (e.g. those associated with ending lease agreements and other contracts) that may arise in the eventual completion and/or cessation of our mandate.

Resilience, Risk Management, and Accountability

Waterfront Toronto navigates a complex business environment in order to implement its revitalization work, which involves a range of major infrastructure projects, as well as diverse partners and stakeholders. This business environment presents a number of significant risks associated with individual capital projects, as well as those that affect the entire enterprise.

We manage and mitigate these risks by applying an Enterprise Risk Management (ERM) framework developed by the senior management team and internal committees, and approved and overseen by our Board. The overall objective of the ERM framework is to ensure that Waterfront Toronto can identify and mitigate key risks associated with the Corporation's ability to achieve its strategic objectives.

The ERM framework applies the widely used "three lines of defence" approach to risk management and control, assigning clear roles and responsibilities to:

- 1.** risk owners (in particular, the project and financial managers) who execute projects and operational functions on a day-to-day basis;
- 2.** entities that oversee risk, including the Corporation's Enterprise Risk Taskforce, Program Management Office, and Technical Advisory and Peer Review Panels; and
- 3.** assurance mechanisms, such as Waterfront Toronto's internal audit function and independent capital monitor role, both designed to ensure that risk management systems and controls are working effectively.

The first two lines are directly accountable to Waterfront Toronto's senior management. The third line is accountable to the Board and the Finance, Audit, and Risk Management Committee, as well as to senior management. This separation of roles not only enhances accountability by clarifying responsibilities, it helps to reveal and address blind spots to ensure that Waterfront Toronto is proactively identifying and managing risks.

Measuring Waterfront Toronto's Performance

Performance measures have been in place at Waterfront Toronto for a number of years to assess our economic, social and environmental achievements in relation to our mission and mandate. We report on our performance regularly through annual reports and our Corporate Social Responsibility reporting, which uses Global Reporting Initiative (GRI) guidelines—global best practice for reporting on a range of economic, environmental and social impacts. Using the Integrated Performance Framework, we communicate our enterprise level operating and project delivery outcomes to our Board, management and government stakeholders as well as the wider public.

The Integrated Performance Framework is composed of concrete measures across a range of dimensions that indicate our success or failure in delivering meaningful results and outcomes for the people of Toronto, Ontario and Canada. We've been publicly reporting our indicators and outcomes for a number of years using a consistent framework.

As we embark on a new five-year strategic plan, Waterfront Toronto is refreshing our Integrated Performance Framework to align it with the initiatives and priorities in this document. We have designed our refreshed framework to be:

- *Complete and Relevant:* indicators cover all seven elements of our legislated mandate; these indicators were selected for their relevance to the policy priorities set by the government stakeholders.
- *Measurable and Reliable:* wherever possible we use performance indicators for which objective, accurate and quantitative data are available. We seek out indicators that are tracked consistently over time to allow the analysis of longitudinal trends.
- *Understandable:* we select and define our performance indicators so they're clear and easily understood by the general public, as well by representatives of our government stakeholders and industry partners. Where possible, we adopt benchmarks that are widely used in development and city building.
- *Mutually Exclusive:* we use performance indicators that independently measure elements of Waterfront Toronto's mandate and operations to avoid double-counting.

Success for Waterfront Toronto is:	Waterfront Toronto will measure success by:		Actual 2001-2017	Annual Target 2019/20	5 Year Target 2019-2023
1. Enhancing economic value <ul style="list-style-type: none">Waterfront Toronto will create new employment opportunities during the development of waterfront landsWaterfront Toronto developments will lead to new businesses on the waterfront that will provide ongoing employment opportunitiesThe developments on the waterfront will lead to increased taxes for all three governments and contribute economic value for the Canadian economy	1.1	Jobs: Full time years of employment during construction	14,100	2,000	10,800
		Jobs: Full time years of ongoing employment	5,000	N/A – 5 year measure	5,000
	1.2	Taxes: New taxes to City, Provincial and Federal governments	\$848 M	\$75 M	\$373 M
	1.3	Total economic value added to the economy	\$1,900 M	\$200 M	\$1,100 M
	1.4	Labour Income	\$1,100 M	\$140 M	\$724 M
2. Enhancing social and cultural value <ul style="list-style-type: none">Waterfront Toronto will be a world leader in design excellence and waterfront planning that will make Canadians proud of the Toronto waterfrontWaterfront Toronto will develop spaces that are accessible to all income levels	2.1	Number affordable housing units developed	496	80	729
	2.2	Number of market housing units developed	1,767	553	3,133
	2.3	Number of design awards	90	5	25
	2.4	Number of new permanent public art installations	9	1	7
	2.5	Percentage of projects with Design Review Panel support at the end of the design review process	100%	100%	100%
3. Creating an accessible and active waterfront for living, working and recreation	3.1	Acres of new parks and public spaces	77	2	31
	3.2	Kilometers of new trails and pedestrian connections (PATH; walkways, bridges; enhanced crossings)	17	-	13
	3.3	Number of events on the waterfront	74	>10	>50
4. Implementing a plan in a fiscally responsible manner <ul style="list-style-type: none">Waterfront Toronto will work within the funding provided and will continuously search out new revenue sources to support the development of the waterfrontWaterfront Toronto will use thorough processes to set and manage the project budgets	4.1	Percentage of competitive procurements by dollar value	New measure	>95%	>95%
	4.2	Percentage of projects over \$10 million completed within 5% of budget (in the last five years)	95%	90%	90%
	4.3	Percentage of projects over \$10 million completed within six months of original schedule (in last five years)	New measure	90%	90%
5. Implementing a plan in an environmentally responsible manner <ul style="list-style-type: none">The developments on the waterfront will meet the needs of the present without compromising the ability of future generations to meet their own needsWaterfront Toronto will develop its plans for the waterfront with a focus on the resilience of the surrounding environment	5.1	Number of acres committed to climate positive	82.7	82.7	82.7
	5.2	Intelligent & Connected Extent of broadband coverage (number of people with access)	New measure	N/A – 5 year measure	9,328
	5.3	Biophilic square metres of aquatic habitat created	119,173	120,000	120,000
	5.4	Biophilic meters of waterfront access	5,840	2,700	13,567
	5.5	Human Experience-Drive Average distance to access transit	500m	500m	500m

Success for Waterfront Toronto is:	Waterfront Toronto will measure success by:	Actual 2001-2017	Annual Target 2019/20	5 Year Target 2019-2023
6. Financially self-sustaining designated waterfront area <ul style="list-style-type: none"> Waterfront Toronto's enabling works will mean that the residential and commercial developments are financially feasible for private developers, without government support 	6.1 Increase in residential sales prices per square foot	New Measure	N/A — 5 year measure	2%
	6.2 Total population (residents, students, workers)	6,300	3,200	16,000
7. Promoting and encouraging involvement of the private sector <ul style="list-style-type: none"> Waterfront Toronto will assist other Canadian businesses succeed through partnerships 	7.1 Number of new development and/or strategic partnerships cultivated	30	2	15
	7.2 Private sector dollars invested in waterfront developments	\$10 billion	\$0.5 billion	\$3 billion
	7.3 Value of philanthropic, corporate sponsorship, non-government sourced contributions	\$25 million	>\$nil	\$206 million
8. Encouraging public input <ul style="list-style-type: none"> Waterfront Toronto will foster public trust in its current and planned activities Waterfront Toronto will build public awareness of its past, current and planned activities 	8.1 Number of digital media hits	New measure	>500	>2,500
	8.2 Number of public and/or stakeholder meetings held	>324	>20	>100
	8.3 Number of media (i.e. radio, tv, print, online) references to Waterfront Toronto and its initiatives	New measure	2,500	>10,000
	8.4 Number of times Waterfront Toronto staff have presented at conferences and industry events	New measure	100	400
	8.5 Number of public meeting attendees self-identifying as residing outside the designated waterfront area	New measure	25%	25%

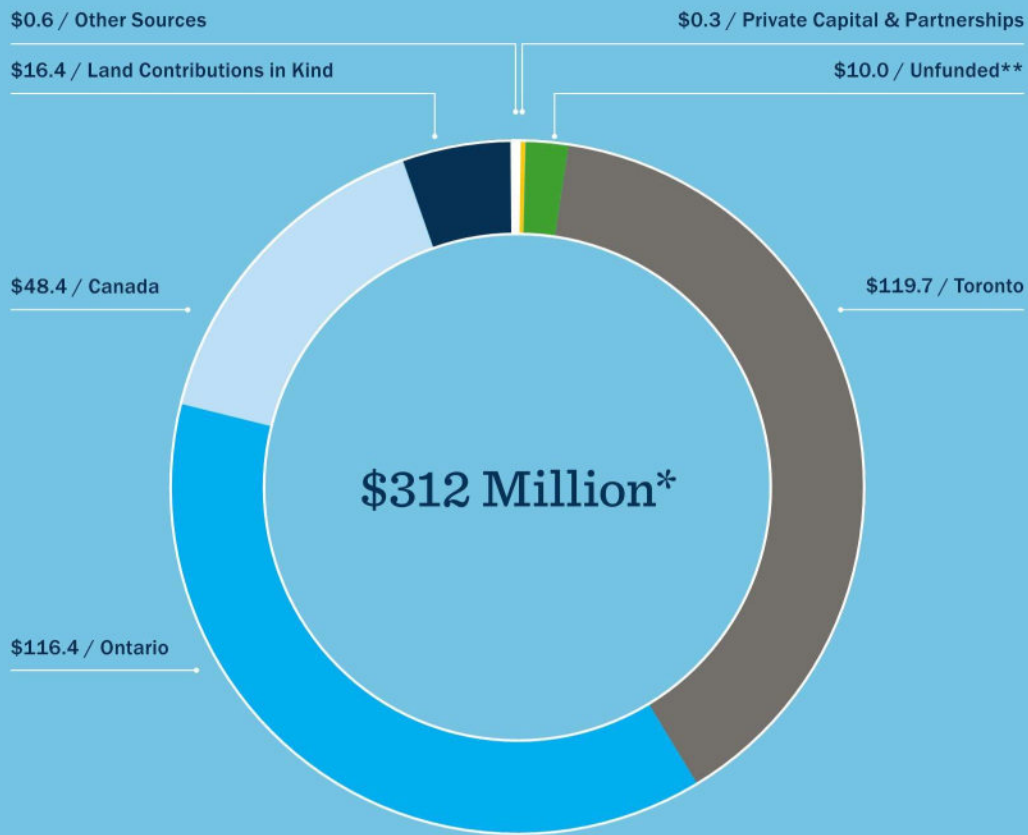
Note: Waterfront Toronto will update the above performance measures related to its legislative mandate annually through its subsequent Corporate Plans and also formally report back on achievements in its Annual Report issued in June each year.

Appendix 1: 2019/20 Key Milestones & Financials

Major Milestones		2019/20 Budget
The Port Lands	<ul style="list-style-type: none"> • Complete design for three bridges (Cherry Street North, Cherry Street South and Commissioner Street bridge) • Commence deep soil mixing for project site • Commence site preparation and demolition works 	\$245
Complete Communities	<p>Bayside</p> <ul style="list-style-type: none"> • Complete construction for Aitken Place Park • Select non-profit operator for affordable housing site <p>Stormwater and sanitary sewer infrastructure</p> <ul style="list-style-type: none"> • Complete concrete building shell and install treatment equipment for Stormwater Facility (SWF) • Final commissioning of Sanitary Pumping Station on permanent power • Construct in-water pipe for SWF <p>Queens Quay East Revitalization</p> <ul style="list-style-type: none"> • Negotiate acquisition of land related to road realignment and associated approvals. 	\$51
Public Places	<ul style="list-style-type: none"> • York & Rees Street Parks: Complete detailed design • Jack Layton Ferry Terminal: Complete Implementation Strategy Plan • Implement one permanent public artwork as per the public art strategy, as well as 4-5 temporary public art activations • Substantial construction completion of the pedestrian and cycling bridge for The Bentway 	\$13
Next Generation Sustainable Communities (Quayside)	<ul style="list-style-type: none"> • Evaluate Master Innovation and Development Plan (MIDP) through Evaluation Framework • Execute Public and Stakeholder Engagement strategy on MIDP, including with governments • Prepare Business Implementation Plans (BIPs) as required for the MIDP and in support of municipal approval process Prepare and Negotiate Principle Implementation Agreements (PIAs) as required for the MIDP • Subject to approval of MIDP, initiate MIDP governance structure and PIAs as it relates to Real Estate, Infrastructure, Intellectual Property and Digital Governance 	\$10
Strategic Initiatives / Other	<ul style="list-style-type: none"> • Resiliency Assessment: Undertaking study to assess future climate risks and ongoing stresses • Build new corporate capabilities and competencies in fundraising and partnerships • Provide ongoing core support for the Port Lands 	\$0.5 \$0.5 \$5
Total		\$325

Figures are in \$ millions

Appendix 1: 2019/20 Funding Plan



Figures are in \$ millions

* The difference between total 2019/20 investments of \$325 million and total 2019/20 funding of \$312 million arises from work deferred from 2018/19 to 2019/20 with funding already in place in 2018/19.

** The \$10 million unfunded portion of the 2019/20 Plan relates to \$7.6 million of costs associated with Quayside MIDP Development and \$2.4 million of corporate operating costs, both of which will temporarily be funded with the Corporation's borrowing facility until future land sale revenues are realized.

Appendix 2: Five Year Financials

	Budget	Forecast					Total Expenditures
	Fiscal Year 2019/20	Fiscal Year 2020/21	Fiscal Year 2021/22	Fiscal Year 2022/23	Fiscal Year 2023/24		
Priority Projects							
The Port Lands	\$ 245.1	\$ 264.7	\$ 224.6	\$ 171.7	\$ 108.6	\$1,014.7	
Flood Protection Landform	146.6	141.5	126.3	89.9	75.5	579.8	
Roads and Services	31.7	47.0	45.6	43.0	14.9	182.2	
Bridges	51.4	64.8	29.9	15.8	2.5	164.4	
Parks and Public Realm	15.4	11.4	22.8	23.0	15.7	88.3	
Complete Communities	\$ 50.8	\$ 51.3	\$ 48.4	\$ 23.3	\$ 12.2	\$ 186.0	
Queens Quay East Revitalization	14.8	15.7	26.1	10.5	-	67.1	
Other East Bayfront Public Realm	1.7	13.4	14.8	2.6	12.2	44.7	
Bayside Infrastructure	11.4	10.9	5.4	9.1	-	36.8	
Storm Water and Sanitary Sewer Infrastructure	15.8	2.7	0.5	0.2	-	19.2	
Other	6.0	4.8	0.7	0.3	-	11.8	
Quayside Soil & Environmental Management	1.0	1.1	0.9	0.6	-	3.6	
Dockside Infrastructure	0.1	2.7	-	-	-	2.8	
Public Places	\$ 13.2	\$ 12.0	\$ 17.6	\$ 10.6	\$ 2.6	\$ 56.0	
York and Rees Street Park	3.7	8.6	10.7	5.3	0.1	28.4	
Public Art	1.1	2.1	6.9	5.3	2.5	17.9	
The Bentway	8.0	1.0	-	-	-	9.0	
Jack Layton Ferry Terminal	0.4	-	-	-	-	0.4	
Other	0.0	0.3	-	-	-	0.3	
Next Gen Sustainable Communities	\$ 10.4	\$ -	\$ -	\$ -	\$ -	\$ 10.4	
Quayside MIDP Evaluation	10.4	-	-	-	-	10.4	

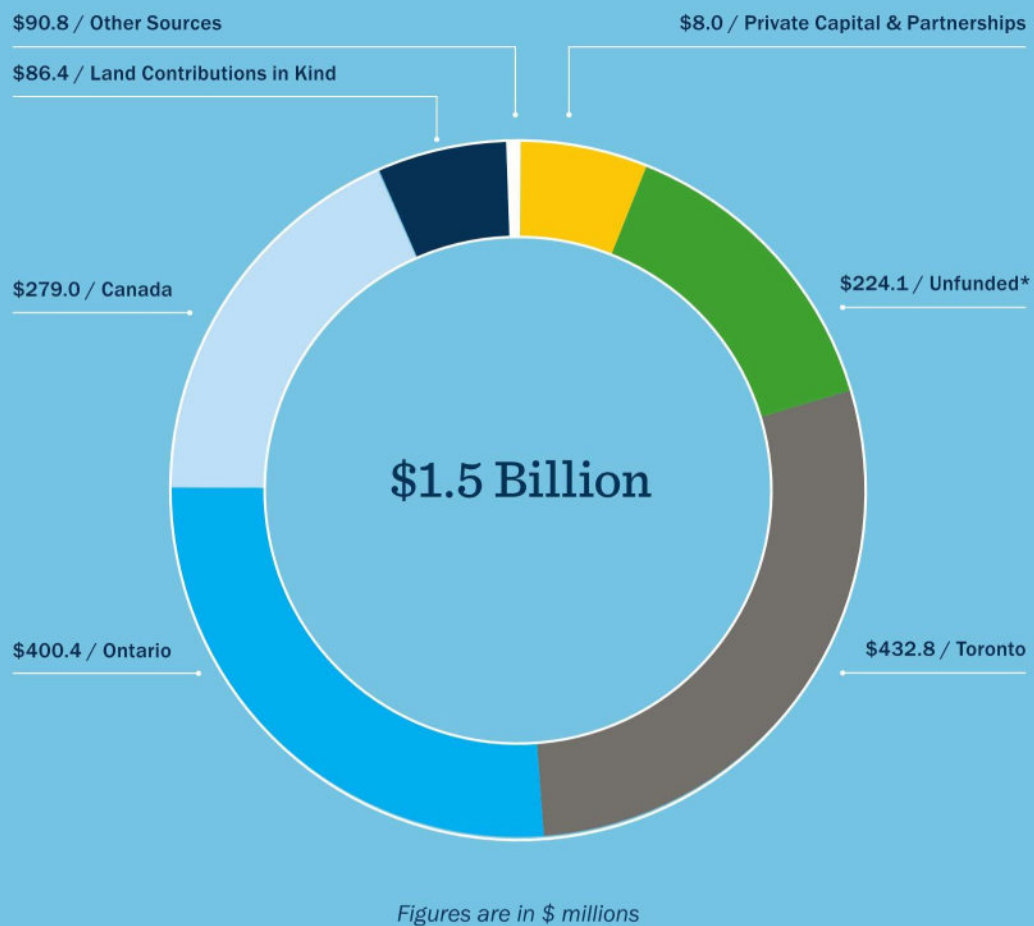
	Budget		Forecast									
	Fiscal Year 2019/20		Fiscal Year 2020/21	Fiscal Year 2021/22	Fiscal Year 2022/23	Fiscal Year 2023/24	Total Expenditures					
Priority Projects												
Strategic Initiatives/Other	\$	5.6	\$	5.1	\$	5.3	\$	5.0	\$	3.4	\$	24.4
Non Recoverable Corporate Overhead		4.6		4.6		4.6		4.6		3.4		21.8
Innovative and Sustainability Initiatives		0.5		0.4		0.7		0.4		-		2.0
Other Initiatives		0.5		0.1		-		-		-		0.6
Subtotal—Priority Projects	\$	325.1	\$	333.1	\$	295.9	\$	210.6	\$	126.8	\$	\$1,291.5
New Potential Projects												
Signature Structure		-		-		10.0		30.0		40.0		80.0
Waterfront Walk		-		4.5		9.0		18.0		27.0		58.5
Jack Layton Ferry Terminal & Park		-		4.0		8.0		16.0		24.0		52.0
Destination Play at Promontory Park		-		1.3		2.5		5.0		6.3		15.1
Subtotal—New Potential Projects	\$	-	\$	9.8	\$	29.5	\$	69.0	\$	97.3	\$	205.6
Grand Total	\$	325.1	\$	342.9	\$	325.4	\$	279.6	\$	224.1	\$	\$1,497.1

Figures are in \$ millions

Note: The budget and forecast numbers above are inclusive of the annual corporate operating budget figures outlined in Appendix 3. Corporate operating costs are charged to projects based on direct staff hours required to deliver the project using a full cost recovery hourly rate. Full cost recovery hourly rates are determined based on actual direct costs of staff in the Development, Project Delivery and Planning & Design business units, together with a burden rate for indirect, core support costs such as occupancy costs, technology, audit fees, insurance, corporate communications and staff in core support roles such as accounting, finance, IT, legal and board governance, procurement and human resources.

As outlined on page 64, some projects do not currently have sufficient project funding to fully recover the indirect portion of the corporate operating cost, and as such Waterfront Toronto must use alternative sources of revenues to fund these.

Appendix 2: 2019/20–2023/24 Funding Plan



* The \$224.1 million unfunded portion of the Five Year Strategic Plan comprises all of the New Potential Projects (\$205.6 million) together with \$11 million of corporate operating costs and \$7.6 million of Quayside MIDP Evaluation costs. The New Potential Projects will not be initiated until funding has been secured for these projects. The remaining unfunded portion of \$18.6 million will be temporarily funded with the Corporation's borrowing facility until future land sale revenues are realized.

Appendix 3: Corporate Operating and Capital Budgets

Corporate Operating Budget	2018/19	Budget		Forecast			
		2019/20	2020/21	2021/22	2022/23	2023/24	
General and Office Administration	\$ 1.4	\$ 1.9	\$ 1.9	\$ 2.0	\$ 1.8	\$ 1.2	
Accountability and Governance	0.4	0.4	0.4	0.4	0.4	0.4	
Information and Technology	0.5	0.6	0.6	0.6	0.5	0.4	
Human Resources	15.4	14.7	14.7	14.5	13.5	12.0	
Public Engagement and Communication	0.6	0.6	0.6	0.6	0.6	0.5	
Sub-total before Amortization	\$ 18.3	\$ 18.2	\$ 18.2	\$ 18.1	\$ 16.8	\$ 14.5	
Amortization	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.4	\$ 0.4	\$ 0.3	
Total Corporate Operating Budget	\$ 18.8	\$ 18.7	\$ 18.7	\$ 18.5	\$ 17.2	\$ 14.8	
Corporate Operating Costs recovered from Projects	\$ 14.2	\$ 14.1	\$ 14.1	\$ 13.9	\$ 12.6	\$ 11.4	
Corporate Operating Costs Funded by Other Sources	\$ 4.6	\$ 4.6	\$ 4.6	\$ 4.6	\$ 4.6	\$ 3.4	
Total Corporate Operating Budget	\$ 18.8	\$ 18.7	\$ 18.7	\$ 18.5	\$ 17.2	\$ 14.8	
Corporate Capital Budget	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	
	(revised)						
Technology Infrastructure	\$ 1.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	
Facilities Improvement	0.6	0.3	0.1	0.1	0.1	0.1	
Total Corporate Capital Budget	\$ 1.9	\$ 0.6	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	

Figures are in \$ millions

Note: By first quarter 2019/20 we expect all major upgrades such as the Enterprise Resource Planning system and the office space reconfiguration to be complete. As such, the Corporate Capital Budget in this Plan is focused largely on maintaining a state of good repair. These costs are amortized over a three year and five year period respectively, and this cost is reflected above in the Amortization line within the Corporate Operating Budget.

Our Executive Team

Michael Nobrega
Interim President and CEO

Meg Davis
Chief Development Officer

Chris Glaisek
Chief Planning and
Design Officer

David Kusturin
Chief Project Officer

Marisa Piattelli
Chief Strategy Officer

Lisa Taylor
Chief Financial Officer

Leslie Gash
Senior Vice President,
Development

Julius Gombos
Senior Vice President,
Project Delivery

Pina Mallozzi
Vice President,
Planning and Design

Cameron MacKay
Vice President, Strategic
Communications and Engagement

Kristina Verner
Vice President, Innovation,
Sustainability, and Prosperity

Ian Beverley
General Counsel

Join us online



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SCENARIO NOTE TO THE DEPUTY MINISTER

DINNER DISCUSSION WITH DAN DOCTOROFF, CHAIRMAN AND CEO, SIDEWALK LABS

MEETING DETAILS

- **DATE/TIME:** Thursday, October 25, 2018 (Time TBC)
- **LOCATION:** Executive Complex at ISED, 235 Queen Street, 11th floor
- **PARTICIPANTS:**
 - Dan Doctoroff, Chairman and CEO, Sidewalk Labs (see bio in **Annex A**).
 - Matthew Mendelsohn (co-host) (PCO)
 - Paul Thompson (co-host) (ISED)
 - Eric Dagenais (ISED)
 - Graham Flack (PCH)
 - Ava Yaskiel (FIN) (*in lieu of Paul Rochon*)
 - Stephen Lucas (EC)
 - Michael Keenan (TC)
 - Philip Jennings (NRCan)
 - Peter Wallace (TBS)
 - Siddika Mithani (PHAC)
 - Others (TBC)

PURPOSE

- Matthew Mendelsohn and Paul Thompson are co-hosting a dinner discussion with Dan Doctoroff and members of his Executive team (names as yet unknown). The purpose of the dinner is to learn about Sidewalk Lab's plans to reimagine Toronto's eastern waterfront as a smart city pilot, and how they see this vision being adopted in areas across Canada. This event affords an opportunity for Deputy Ministers to share perspectives on cities, urban design, digital technology and data.

HIGHLIGHTS/KEY CONSIDERATIONS

- Sidewalk is working with Waterfront Toronto on a development plan that would see the eastern waterfront Quayside area become a new technology-enabled neighbourhood where digital solutions and forward-thinking urban design could be tested and applied to improve the quality of life for people in cities (see further background in **Annex B**).
- This meeting presents an opportunity to learn how the Quayside project is unfolding in collaboration with Waterfront Toronto, and Sidewalk plans for public engagement on key aspects of the Quayside plan (e.g., data collection, governance, ownership as well as privacy) in advance of completing the Master Development and Innovation Plan (MIDP) in early 2019.

- Sidewalk's broader vision as a company is to "blend people-centered urban design with technology to achieve new standards of sustainability, affordability, mobility, and economic opportunity" and they have signalled interest in partnering with governments on this vision. (see backgrounder on Sidewalk Toronto and Sidewalk Labs, also found at **Annex B**.)
- Quayside is one of two major initiatives being undertaken by Waterfront Toronto. The other is the Port Lands flood protection project, for which a contribution agreement representing the federal, provincial, and municipal governments' commitment of \$1.25 billion was signed on May 1, 2018, and will unlock a much larger piece of real estate for future development.

FEDERAL INTERESTS

- Sidewalk Labs proposal for the Quayside project (as set out in their Plan Development Agreement) aspires to address urban challenges in subject-matter areas relevant to several federal departments. These include:
 - **Transportation, Mobility, and Congestion (TC, ISED, INFC):** encouraging shared new mobility options such as self-driving electric vehicles that reduce the need for car-ownership and street space devoted to parking and cars; and using real-time detection to optimize street space, dynamically allocate the roadway network and improve safety.
 - **Data Governance (ISED, INFC):** create a world-leading responsible data use framework that established consistent, scalable, state-of-the-art policies and processes around privacy, data governance, access to data, data ownership and stewardship, information and data security that are consistent with local values and priorities.
 - **Economic Development (ISED):** foster economic development, job creation, future skills preparation and generate prosperity by catalyzing a world leading cluster focused on urban innovation; build on the emerging economic clusters, job creators and entrepreneurial and commercial communities on the waterfront and across Toronto and Canada; create opportunities for entrepreneurial companies developing new technologies consistent with delivering the goals and objectives of the project; and establish anchor drivers including the Google Canadian headquarters and an Urban Innovation Institute on the waterfront.
 - **Sustainability (EC, NRCan):** set a new standard for urban sustainability and a replicable path to climate positive communities through approaches such as the reduction of building energy use via design and data-driven energy management, the recovery and reuse of waste energy, the generation of onsite renewable energy and transformation of organic waste into energy, active waste and water management, and an adaptable utilities network.
 - **Housing Affordability (CMHC, NRCan):** creating new types of flexible and adaptable buildings that reduce costs and increase efficiency, sustainability, adaptability and affordability while still emphasizing architectural and design excellence.
 - **Inclusivity and Diversity (PCH):** develop a toolkit to serve as a global example for the creation of affordable, diverse, mixed income, and multigenerational communities, composed of innovative programs, policies, business models, and existing programs that make housing more available and affordable for all Torontonians.

- While many of the above-noted subject matters have raised general interest and little concern from Toronto residents, significant issues have arisen around privacy and data in a smart cities context. The main concerns include: surveillance; data collection; data sharing and selling; intellectual property; data storage, including where and for how long; and privacy – including anonymized data and the risks of re-identification. These concerns have garnered significant media attention and statements by those both opposed to and more in favour of Sidewalk's involvement in the Quayside development continue to play out in public.
- There is a broader public policy dialogue taking place on digital technology and data, including national consultations recently concluded by ISED, with INFC supporting as it relates to touchpoints with the Toronto Waterfront Revitalization Initiative.
- As it may pilot first-to-market technologies, the Quayside project is expected to generate much larger, at scale, proposals that will need to be weighed against current policies at federal, provincial and municipal level. More broadly it may test the balance between fostering innovation and appropriate frameworks for public trust, namely digital governance laws and regulations.
- Both Waterfront Toronto and Sidewalk Toronto have been encouraged to be highly attentive to public consultation, transparency and outreach during the planning phase, including using established bodies to provide guidance, such as the Waterfront's Digital Advisory Panel that will help identify and frame policy issues that will arise under the planning for Quayside, as well as other experts.

KEY BACKGROUND

- On October 18, 2018 Sidewalk Labs outlined draft proposals for a Quayside digital governance framework at a meeting of Waterfront Toronto's arms-length Digital Strategy Advisory Panel (DSAP) (see full deck attached as **Annex C**). The proposals focused on the following key components:
 - **Responsible Data Use (RDU) Guidelines** – application of the guidelines to all parties in Quayside, not just SWL, to put personal privacy and the public good first while fostering innovation
 - **Civic Data Trust** – an independent entity to control, manage and make publicly accessible all data that could reasonably be considered a public asset....move away from entities, including SWL, solely owning and controlling these assets
 - **Responsible Data Impact Assessment (RDIA)** – all entities proposing to collect or use urban data, including SWL, will have to file an RDIA with the Trust that is publicly available and reviewable
 - **Open Standards** – SWL will base its technology on open standards....so anyone can plug in or compete
- The presentation was followed by a lengthy question/answer period where DSAP members sought clarity and challenged elements of the proposed Sidewalk approach. Highlights from this session are as follows:

- The data trust proposal is generally viewed favourably although other possible solutions should continue to be explored;
- A data-related pilot should be launched in order to take a small aspect of the proposal out of the abstract and give the public a tangible sense of what this project will mean for them;
- Data collected at Quayside by Sidewalk should be housed in Canada contrary to Sidewalk's arguments against data localization (e.g., no legal requirement; more resilient infrastructure found elsewhere) which members found unconvincing; and
- More time is needed to develop a credible Master Innovation and Development Plan (a public consultation draft is currently slated for public release in early 2019).

PROPOSED TALKING POINTS/PROPOSED QUESTIONS

- As you may know, my department is responsible for federal matters relating to the Toronto Waterfront Revitalization Initiative, which includes Waterfront Toronto's partnership with Sidewalk Labs.
- The Quayside project under development by Waterfront and Sidewalk is exciting and ambitious in its aim to promote innovation and advanced urban planning, and produce better outcomes for the community.
- This partnership between a government-mandated agency and Sidewalk is a good example of the public and private sectors coming together to develop a vision that will include important infrastructure elements.
- Quayside will pilot a number of approaches that, if validated, could be applied at scale. What remains to be determined is how the infrastructure proposed for Quayside and perhaps beyond will be financed, should it be realized.
- My department encourages public-private collaboration in finding innovative funding solutions that can deliver new forms of infrastructure.
- Innovative financing lends itself well where we're starting to see more non-traditional investors in the infrastructure space, such as technology firms.
- It is important, however, that the public understand this business model and how the benefits that accrue to private partners are balanced with the public interest.
- Thus the key to a successful outcome will be public support during both the planning phase and eventually when a Master Innovation and Development Plan comes forward for consideration.
- Sidewalk Toronto, working with Waterfront, should continue to engage with citizens and leverage expertise as needed on all aspects of the Quayside proposal, given the cutting edge technology and smart infrastructure potential, but also given concerns over the role technology plays in the lives of citizens now and in the future.

- As the full plan comes together Waterfront Toronto, as an independent agency, will ultimately need to come forward to its government stakeholders on the plan for Quayside, and frankly the wider waterfront vision.

Questions

- Can you share with us your vision for Smart Cities and your long-term vision for Sidewalk Labs in Canada?
- The Quayside Master Innovation and Development Plan is going to address urban challenges in a number of different areas. These will implicate the mandates of different departments and ministries across the three orders of government. Have you thought about which areas you'll want to engage the federal government on as you complete the Plan?
- What are the key challenges and impediments you see in developing the plan and creating sufficient public and government support to make it a reality?
- You had previously said that you were surprised by how issues around data and privacy were playing out in Canada as opposed to the U.S. What lessons has Sidewalk drawn on these matters since partnering with Waterfront Toronto, and how has it changed its approach?

Mr. Dan Doctoroff
Chief Executive Officer, Sidewalk Labs



Dan Doctoroff is Chairman and Chief Executive Officer of Sidewalk Labs. Prior to joining Sidewalk Labs, Dan was President and Chief Executive Officer of Bloomberg L.P., the leading provider of news and information to the global financial community. During the seven years that he led the company, despite the 2008 financial crisis, Bloomberg's organic revenues nearly doubled.

Prior to joining Bloomberg L.P., Dan served as Deputy Mayor for Economic Development and Rebuilding for the City of New York. With Mayor Michael R. Bloomberg, Dan led the city's dramatic economic resurgence, spearheading the effort to reverse New York's fiscal crisis after 9/11 through a five-borough economic development strategy. This plan included the most ambitious land-use transformation in the city's modern history; the rebuilding of the World Trade Center site; the largest affordable housing program ever launched by an American city; and the formation of new Central Business Districts and Industrial Business Zones. Dan also oversaw the creation of PlaNYC, New York's path-breaking sustainability plan.

Before joining the Bloomberg administration, Dan was Managing Partner of the private equity investment firm Oak Hill Capital Partners. While at Oak Hill, Dan founded NYC2012, the organization that spearheaded efforts to bring the Olympic Games to the city.

Dan serves on the Boards of the University of Chicago, World Resources Institute, United States Olympic Committee, Bloomberg Philanthropies and Human Rights First. He is the founder of Target ALS, which raises funds for and has established a new model of collaboration to advance ALS research. He is a founder and chairman of Culture Shed, an innovative new cultural institution at the Hudson Yards in Manhattan.

Dan is a graduate of Harvard College and The Law School at the University of Chicago.

A native of Michigan, Dan has lived in New York for the past 32 years with his wife, Alisa. The Doctoroffs have three grown children.

BACKGROUND

- Waterfront Toronto is an independent agency created in 2001 under provincial statute by Canada, Ontario and the City of Toronto to manage the Toronto Waterfront Revitalization Initiative. SWL was created by Google's parent company Alphabet in 2015 to design, test, and build urban innovations.
- In a November 2017 announcement attended by the Prime Minister, Waterfront Toronto selected SWL as a funding and innovation partner to develop Quayside, a small geographic area on the waterfront, following a public and global RFP process.
- Under an agreement between Waterfront Toronto and Sidewalk, the company has committed \$50 million towards fully developing a long-term development plan for Quayside. No lands or other rights have been committed to Sidewalk and the terms of the Project Development Agreement (PDA) allow for a process to work on a plan for development.
- Sidewalk will also consider moving Google Canada's headquarters to the waterfront area as an anchor for the urban innovation cluster, and has committed to promoting innovation in Toronto through establishment of a new institute. Waterfront will need to take any development plan before the three orders of government should there be need for specific approvals of initiatives under the plan.

Sidewalk Labs

October 2018

Digital Governance Proposals for DSAP Consultation

DRAFT PROPOSALS

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-

DRAFT PROPOSALS

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01 Introduction

02 Civic Data Trust and Urban Data

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07 Summary

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DRAFT PROPOSALS

Sidewalk Labs started with a belief...

By integrating forward-thinking urban design and technological solutions we aim to address urban challenges experienced around the world and fundamentally improve quality of life in cities.

We began by speaking with experts from around the world in fields like mobility, affordable housing, construction, technology, policy, planning, and governance.

From those conversations we envisioned new experiences that could be possible in a new type of city.

Among the new experiences we imagined, we recognized a common theme — that many involved utilizing data in new ways.

We knew that technology could catalyze these solutions, and data would make them better. But we also knew that data for data's sake or tech for tech's sake would not improve quality of life.

From the outset we knew that the monetization of data would not be part of our business model. That is why we committed not to sell personal information or use it for advertising purposes.



A FEW SPECIFIC EXAMPLES

Streets that prioritize safety, pedestrians, and cyclists, because they are designed to anticipate shared, self-driving vehicles that wouldn't need much parking and could communicate with each other and with adaptive traffic lights. This would mean significant amounts of street space given back to pedestrians and cyclists, less congestion, and improved safety.

Buildings with a far more diverse and vibrant mix of uses as a result of "outcome-based code," which doesn't require uniformity of use but rather ensures structural integrity, air quality, and noise levels through conditions-sensing technology.

Significantly reduced carbon emissions achieved by technology that monitors and manages energy demand across the neighbourhood.

...and many more

DRAFT PROPOSALS

We conducted extensive consultations on responsible data use

Over the past year, as Sidewalk Labs prepares a “Master Innovation and Development Plan,” we have had extensive consultations with experts, government, regulators, and residents in Toronto and across Canada.

We engaged Dr. Ann Cavoukian, the three-term Information and Privacy Commissioner of Ontario, who created the internationally adopted **Privacy by Design framework**, as an advisor to the project.

We meet regularly with privacy regulators to talk about our plans and seek guidance. Sidewalk Toronto is the first participant in the Office of the Privacy Commissioner of Canada’s newly formed Business Advisory Directorate.

We convened a Data Governance Working Group of academics, former regulators, technologists including Canada’s leading expert on de-identification, private sector leaders, and community representatives who have advised us on topics ranging from responsible data use in product development to governance and stewardship issues.

We talked to the private sector—early stage startups and large multinationals—about what they see as key opportunities and challenges.

We participated in the public consultations around Canada’s National Data Strategy.

We carefully considered feedback from public roundtables, the Residents Reference Panel, and the Sidewalk Toronto Fellows report.

We studied examples from around the world of best practices, policy innovations, and lessons learned.

We welcomed thousands of people from Toronto and around the world to 307 to engage with our team in conversations about every issue we are looking at, including data.

We established a research grant program to explore a range of complex issues, including the intersection of privacy and the collection of non-personal information in the physical environment.



We engaged privacy regulators on issues related to digital governance

Excerpt from the Office of the Privacy Commissioner of Canada
(Annual Report to Parliament, September 27, 2018).

“We announced in May 2018 our first advisory project involving Sidewalk Toronto, a smart-city endeavor between Waterfront Toronto and Sidewalk Labs,

owned by Google’s parent company Alphabet. The initiative involves building a technology-driven neighbourhood on the city’s eastern waterfront that includes sensors aimed at helping city planners find efficiencies.

Understandably, it is raising many questions about data collection, privacy, where the information will be stored and how it might be used.

Along with colleagues from the Office of the Information and Privacy Commissioner of Ontario, members of our Business Advisory Directorate met with those behind the project to learn more about it and how they were addressing some of these privacy concerns.

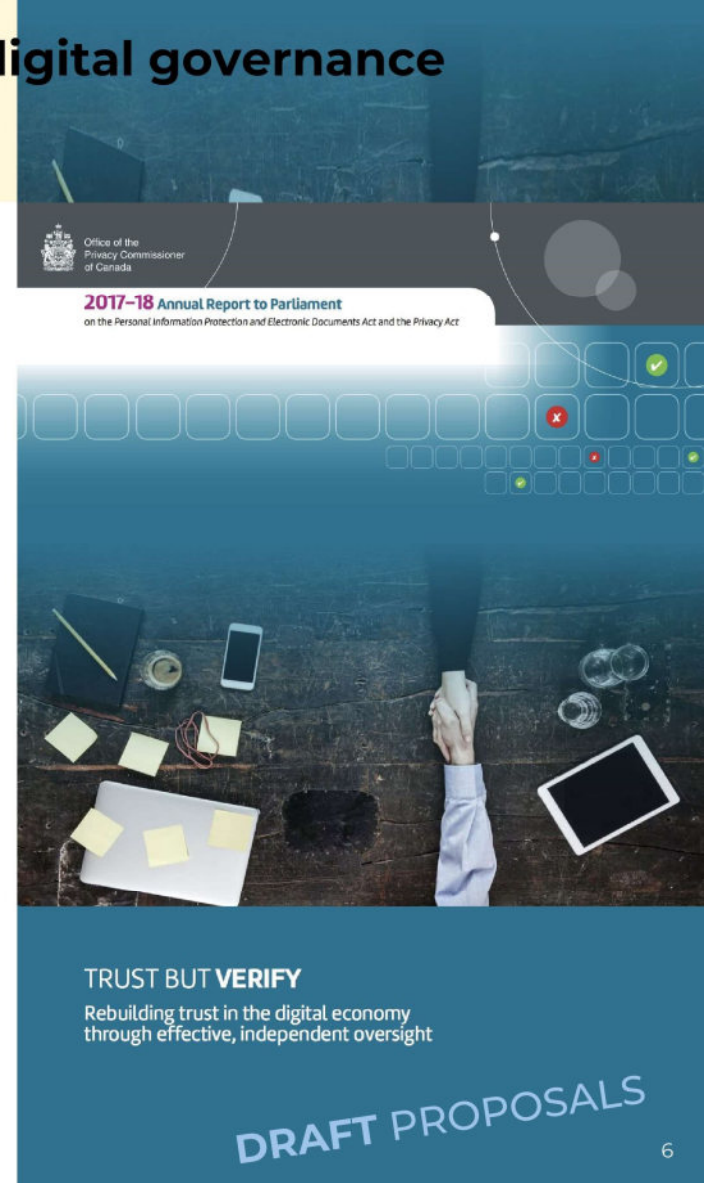
We also reminded officials of key privacy principles, including identifying the purposes for collection, obtaining consent, ensuring individuals could access their own personal information and being accountable for protecting the data and being clear about who owns it.

Overall, we are encouraged by Sidewalk Toronto’s efforts to proactively address privacy and data security in the design and implementation of the initiative.

Given the project is still in its early stages, we are continuing to monitor developments and proactively engage with Sidewalk Toronto officials as it progresses. We also hope the advice we provide will be helpful as other smart city initiatives pop up across the country. ”



Office of the Privacy Commissioner of Canada



A range of concerns and questions surfaced with regard to data and the Quayside project

Confusion about Sidewalk Labs' plans related to data, exacerbated by the time it has taken to work through complicated issues

Concern that data monetization is a key part of Sidewalk Labs' business model

An array of questions:

- **Is Sidewalk Labs**, and this project, intended to be a data source for Google?
- **How will data—particularly data collected in the physical environment**, which some argue should be considered a public asset—be protected and governed?
- **Who will own and control the data** that originates in Quayside's physical environment?
- **How do we address the difficulty of obtaining consent** when collecting data in the physical environment?
- **What are the respective roles of Sidewalk Labs**, other private sector players, and governments when it comes to data and technology?
- **How do we ensure all innovators**, including Sidewalk Labs, will be on equal footing in Quayside?
- **How do we make sure the protections of Canadian law apply to all data** originating in Quayside?

AN ONGOING, COLLABORATIVE PROCESS

This presentation to the Waterfront Toronto Digital Strategy Advisory Panel includes ideas formed in response to what we've heard and learned.

We will use this opportunity and ongoing consultations to further develop these ideas into components of the **Master Innovation and Development Plan, a draft of which will be released in early 2019.**

In the coming months, we will return to the DSAP for discussion of several other topics: intellectual property; charter, governance structure and implementation of the Data Trust; data security, including technological approaches to protecting personal identity and information; and case studies on technologies planned to be implemented by Sidewalk Labs in Quayside. We will also continue conversations on the Responsible Data Use Guidelines and the Responsible Data Impact Assessment.

DRAFT PROPOSALS

Sidewalk Labs determined that Privacy by Design would be embedded into all of our projects, from the beginning

Privacy by Design is an essential component of fundamental privacy protection that served as Sidewalk's first building block as we formulated an approach to Responsible Data Use.

FOUNDATIONAL PRINCIPLES	SIDEWALK LABS' IMPLEMENTATION
Proactive not Reactive <i>Preventative not Remedial</i>	Sidewalk Labs is developing and will utilize cutting edge privacy-enhancing technologies including k-anonymity, edge computing, and other de-identification techniques.
Privacy Embedded into Design	Sidewalk Labs conducts Responsible Data Impact Assessments (RDIAs) to enable consistent and transparent decision making. Every project/product starts with a detailed, nuanced discussion of how it is going to interact with data and protect the rights of individuals.
Privacy as the Default Setting	Sidewalk Labs designs projects/products to add value <i>without</i> collecting personal information if possible. If personal information is required, Sidewalk destroys the data as close to the source as possible; or de-identifies data using world-class techniques.
Full Functionality <i>Positive-Sum, not Zero-Sum</i>	Sidewalk Labs not only embeds privacy into urban development projects, but seeks to develop technologies that benefit the project as well as enhance privacy for the individual.
End-to-End Security <i>Full Lifecycle Protection</i>	Sidewalk Labs engages the best and brightest tech and policy thinkers to inform our processes and practices. Sidewalk utilizes (and develops) state of the art technology and processes to protect personal information from loss, theft, and unauthorized access.
Visibility and Transparency <i>Keep it Open</i>	Sidewalk Labs proactively communicates the reason we are collecting data and the benefits to individuals when we ask for their personal information, in a clear and easy to understand manner.
Respect for User Privacy <i>Keep it User-Centric</i>	Sidewalk Labs is developing ways of providing services which allow user-centric data management and anonymous authorization for access control.

PRIVACY BY DESIGN

In October 2010, regulators at the International Conference of Data Protection Authorities and Privacy Commissioners unanimously passed a resolution recognizing Privacy by Design as an essential component of fundamental privacy protection.

Privacy by Design embeds privacy measures into the design of a project, asking questions such as: *"What is the minimum data you really need to accomplish the goal?"* and *"Do you need personal information, or can you accomplish it with de-identified data?"*

Since then, Privacy by Design has developed into a global presence and has been translated into 40 languages.

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We established and continue to refine Responsible Data Use Guidelines that serve as a foundation for our work

These Responsible Data Use Guidelines guide our work on the development of policies that implement **Privacy by Design** and address data stewardship and access to data.

- **People first.** All projects must apply Canadian values of diversity, inclusion, and privacy as a fundamental human right.
- **Beneficial public purpose.** There must be a clear public purpose and value to the proposed use of Urban Data. A proposal cannot collect data for data's sake.
- **Transparency and clarity of usage.** Projects must always inform individuals of how and why their information is being collected and used, and do so in a way that is proactive, clear, and easy to understand. For Urban Data in public spaces, where meaningful consent cannot be reasonably or reliably achieved, clarity of usage can include efforts such as physical signs notifying people of a data device, or informational websites describing a service or program in greater detail.
- **Meaningful consent.** If a person opts into a service that uses individual identification, that person must have meaningful consent or control over how the information is used. Meaningful consent must go beyond current privacy policies, which are typically long and written in legalese, balancing the substance necessary for legal consent with a simplicity that people can understand.
- **De-identify by default.** Urban Data that includes personal information must be "de-identified" by default — designed not to trace back to any individual. For example, if a traffic counter collects an image of three cars that includes license plates, this data can be de-identified by processing a count of "three cars" and deleting the raw image containing the license plate information. Once de-identified, a data set is considered to no longer contain personal information, as the risk of re-identification is extremely low.
- **Open by default.** All de-identified Urban Data gathered in the public realm will be made open, free, and available in the public domain by default to encourage innovation and reflect the role of Urban Data as a collective good.
- **No ads by default.** By default, companies, organizations, or individuals will not sell Urban Data containing personal information to third parties or use it for advertising purpose.

NEED FOR A ROBUST FRAMEWORK

The pace at which the world is changing has underscored the need — and the opportunity — to create a new framework for responsible data use in Quayside:

- **People are more connected now** than ever before, and the proliferation of data raises real concerns about the impact on personal privacy.
- **Recent high-profile examples of data and privacy breaches** or misuse have further evidenced the potential impact of inadequate privacy protection.

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Sidewalk Labs' proposed approach to digital governance aims to serve as a model for cities around the world

Sidewalk's proposed approach to digital governance in Quayside will demonstrate to Toronto, Canada, and the rest of the world that cities do not need to sacrifice their values of inclusion and privacy for opportunity in the digital age.

Our approach to digital governance is based on the position that:

- **Independent governance** is necessary to protect personal and public interests across areas of data stewardship, privacy, access, and, security—in addition to government enforcement of Canadian and Ontario privacy laws and regulations
- **All parties**, including Sidewalk Labs, collecting and/or using data in the physical environment of Quayside will be held to the same high standards of digital governance
- **Information architecture and services** should be open, enabling and promoting innovation by the many, not the few

Based on these positions, we propose four key components of a framework for digital governance in Quayside:

- **Responsible Data Use (RDU) Guidelines:** Application of the guidelines to all parties in Quayside, not just Sidewalk Labs, to put personal privacy and the public good first, while fostering innovation
- **Civic Data Trust:** An independent entity to control, manage, and make publicly accessible all data that could reasonably be considered a public asset, and a set of rules that would apply to all entities operating in Quayside, including Sidewalk Lab. With the Data Trust, we move away from entities, including Sidewalk Labs, solely owning and controlling these assets.
- **Responsible Data Impact Assessment (RDIA):** Publicly auditable assessment for all public and private digital services required before data is collected and used
- **Open Standards:** Sidewalk will base its technology on open standards, making it easy for others to build and connect new services, offer competitive alternatives, and drive innovation; the Data Trust might consider encouraging or requiring open standards, as well

KEY TAKEAWAYS

No one should own original information collected from Quayside's physical environment—including Sidewalk Labs. Instead, this "Urban Data" should be under the control of an **independent Civic Data Trust**.

To protect privacy, all entities proposing to collect or use Urban Data (including Sidewalk Labs) will have to file a **Responsible Data Impact Assessment** with the Trust that is publicly available and reviewable.

With regard to the use of data, **one set of rules will apply to everyone**. Sidewalk Labs will not receive any special treatment.

Sidewalk Labs will use open standards for any digital infrastructure and services it provides—so anyone can plug in or compete.

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Data Trusts are beginning to be used to govern data in urban contexts

A Civic Data Trust is a model for stewardship and management of data and digital infrastructure that approves and controls the collection and use of data for the benefit of society and individuals.

A Civic Data Trust is particularly useful where data is being collected and used in an urban environment and there are challenges in obtaining meaningful consent.

It is an independent third party that ensures that value from data goes to the people, communities, government, industry, and society from which it was collected, and that data privacy and security are protected. **A Data Review Board**, assembled of diverse members of the community, would monitor and enforce data collection and use.

Other cities, countries, and organizations around the world, including Canada, Barcelona, Estonia, Guernsey Island, and the Copenhagen-Hitachi City Data Exchange, have implemented variations of data trusts.

GLOBAL EXAMPLES OF DATA TRUSTS

Data trusts come in different forms and structures, two of which are:

Barcelona Model: Trusted Intermediary and a Data Commons

Barcelona's CityOS is the city's internal data lake, which is managed by the city's Chief Data Officer. In this model, all of the data is pooled into one central repository, a "commons", and managed by a trusted intermediary. Some datasets are made publicly available under degrees of openness via APIs. Some data is available through Decidim, Barcelona's digital democracy portal, or BCNow, its data dashboard. 'Sentilo' is Barcelona's main sensor platform for environmental or ambient data. Barcelona's projects are funded by the EU Commission's DECODE.



Estonia Model: API Framework Management

Estonia's X-Road data exchange platform is based on an approach where each collector of data stores its own data, which are standardized and accessed through APIs that are managed by the Trust. It is a repeatable framework of terms and conditions with APIs that allow developers and others to access data for testing, product development, and data analytics.



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Proposal: A Civic Data Trust for Quayside

The stewardship, management, and responsibility for data that is collected and used needs to sit with an independent entity whose sole responsibility is to protect the public interest.

The Trust would be an independent body with the mandate of being a steward of data collected in the physical environment, which we call **Urban Data**.

- **Following Responsible Data Use Guidelines, the Trust would approve and control** the collection and use of, manage access to, and, potentially, store Urban Data originating in Quayside. This would be on top of—not in the place of—existing law, regulation, and government enforcement.
- **The Trust would, as a default, make de-identified Urban Data freely and publicly accessible—and not owned by any private entity.** The Trust would consider applications to collect Urban Data that involves personal information (e.g. CCTV cameras) or proposals to collect Urban Data on a proprietary or commercial basis.
- **In performing those functions, the Trust would be guided by a charter** focused on ensuring that Urban Data is collected and used in a way that is beneficial to the community, protects privacy, and spurs innovation and investment.
- **The governance of the Trust** would apply to all entities operating in Quayside.

BENEFITS OF THE CIVIC DATA TRUST

- **Protects** the public interest
- **Curtails** private ownership of data that might reasonably be considered a public asset
- **Ensures** compliance with data protection and privacy laws
- **Upholds** a set of values and processes for the beneficial use of data
- **Organizations** can share their data with other entities across different sectors for mutual benefit
- **Access** to different data sources allows us to understand public problems from many angles
- **Opportunities for new**, innovative, and data-driven solutions to public problems
- **Data collection** and use is made transparent
- **Institutions** can better monitor and evaluate the real-world impacts of policies

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Defining Urban Data

Data collected in the physical environment, particularly in public spaces, will be the domain of the Civic Data Trust.

Urban Data is data collected in a physical space in the city, which includes:

- Public spaces, such as streets, squares, plazas, parks, and open spaces
- Private spaces accessible to the public, such as building lobbies, courtyards, ground-floor markets, and retail stores
- Private spaces not controlled by those who occupy them (e.g. apartment tenants)

Urban Data is different from other data and requires a different approach because:

- It could reasonably be considered a public asset.
- Individual consent is hard to achieve in public or publicly accessible spaces, unlike when individuals provide data in more traditional contexts.
- Existing requirements attached to the collection of Urban Data only apply when it is identifiable, and are often not followed; there are no requirements attached to the collection of Urban Data that is not personal information.
- The community has the right to expect reasonable protection and proper use of data collected in these spaces.
- Such data raises potential community surveillance concerns.
- Urban Data is anchored to geography, unlike data collected through websites and mobile phones, and lends itself to local governance.

HOW OUR FOCUS ON URBAN DATA REFLECTS WHAT WE'VE HEARD

It acknowledges the consent challenge involved with Urban Data and puts in place a mechanism to obtain “community consent” by:

- **Placing** governance and oversight in the hands of an independent entity that represents the community interest
- **Requiring** Privacy by Design
- **Providing** transparency for the community
- **Enlarging** the types of data that deserves protection beyond personal information to data that has the potential to impact people
- **Focusing** on the entire ecosystem in Quayside, enabling responsible data use and across the board privacy protections

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Proposal: Civic Data Trust

The Civic Data Trust will follow a clear and consistent process that gives it oversight of Urban Data gathered in the public realm.

The Civic Data Trust will sit at the centre of a process established to ensure adherence to Responsible Data Use Guidelines

01 RDIA Filing

Before any collection and/or use of Urban Data can occur, a Responsible Data Impact Assessment (RDIA) must be conducted and filed with the Civic Data Trust, as part of an application to commence collection and/or use. (See Section 3 for details)

02 Approval

Many applications to the Civic Data Trust will be able to be self-certified, submitted, and advanced to the registration step. These will generally be applications for the collection of non-identifiable data that will be made freely and publicly available.

Other applications will require substantive review by the Civic Data Trust. These may involve the collection of Urban Data that is identifiable or collection of Urban Data on a more proprietary basis.

03 Registry

Civic Data Trust will approve placement of devices used to collect Urban Data and maintain an online registry of RDIA's and map of device locations, with easily accessible information on what data is being collected, why, how, where, and by whom.

04 Managing Access

By default, non-personal Urban Data will be open and freely accessible to the public.

In cases where Urban Data access is restricted, the Civic Data Trust will manage access to this data.

This could be accomplished in a variety of ways, from having the Trust actually hold the data as a repository to having it set rules that require collectors to publish data in real time.

05 Enforcement

The Civic Data Trust retains the duty to audit all uses and remove digital devices in the event it discovers a violation.

If the Civic Data Trust were to serve as a repository for data, it would have the ability to shut down access by bad actors.

The question of more traditional enforcement authority needs to be considered as part of ongoing consultation.

06 Exemptions

The Civic Data Trust will have the authority to exempt from registration specific uses that, in its judgment, do not have implications for personal privacy by virtue of their limited technical capabilities, such as water-pressure sensors on building pipes or weight sensors in freight elevators. (The Trust will have no power to grant exemptions from existing privacy law.)

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Data Typologies

Depending on issues of place, context, and control, different kinds of Urban Data merit different kinds of oversight.

	Governance Considerations	RDIA & Approval Process	Role of Data Trust
Urban Data Type 1 Collected in the public realm (e.g. pedestrian counters, street-facing cameras)	<ul style="list-style-type: none"> Individuals have little control over collection of Urban Data in these spaces This data could reasonably be considered a public asset and will therefore as a default be made freely and publicly available Private control or collection of any data that is personally identifiable requires substantive review by Data Trust 	<ul style="list-style-type: none"> RDIA and applications to Data Trust are mandatory in all cases. Applications to Data Trust can be self-certified if data is de-identified and freely and publicly available, and applicant does not seek proprietary control Otherwise Data Trust substantively reviews applications Existing requirements, including related to signage, in effect and subject to actual enforcement 	<ul style="list-style-type: none"> Receives applications and RDIA's Reliably and speedily—potentially, automatically—approves accurate, self-certified applications Substantively reviews applications that do not meet the requirements for self-certification Registers placement and maintains a publicly available registry of devices and associated applications and RDIA's Manages public availability and, where applicable, private access to various data streams
Urban Data Type 2 Collected in privately-owned but publicly accessible spaces Different classes within this type depending on the kind of space (e.g. cameras in large building lobby vs. a small store)	<ul style="list-style-type: none"> Individuals have little control over collection of Urban Data in these spaces Depending on the class (see next column), arguments for data as a public asset may be stronger or weaker In any circumstance, the public has an interest in a fulsome understanding of data collection mechanisms 	<ul style="list-style-type: none"> RDIA and applications to Data Trust are mandatory in all cases. Class A (e.g. camera in a large building lobby): Applications to Data Trust go through same process as Urban Data Type 1 Class B (e.g. small café camera): All applications to Data Trust can be self-certified Existing requirements, including related to signage, in effect and subject to actual enforcement 	<ul style="list-style-type: none"> Class A: Same as Urban Data Type 1. Class B: <ul style="list-style-type: none"> Reliably and speedily—potentially, automatically—approves accurate, self-certified applications Registers placement and maintains a publicly available registry of devices and associated applications and RDIA's No substantive review No access management; data not made publicly available by default
Urban Data Type 3 Collected in fully private spaces, generally homes or offices (e.g. thermostats, home security cameras, sensors for building code compliance)	<ul style="list-style-type: none"> Data cannot reasonably be considered a public asset May be necessary to achieve community goals (e.g. temperature monitoring for energy demand management) May have particular privacy implications because devices are in private spaces, and devices in tenant spaces raise consent issues 	<ul style="list-style-type: none"> Devices installed by residents in their private spaces would be entirely exempt from this regime RDIA and applications to Data Trust are mandatory in all cases of devices installed by a landlord or builder Parties can self-certify if they abide by Responsible Data Use Guidelines, provide full disclosure, and allow opt-out Otherwise, Data Trust substantively reviews applications 	<ul style="list-style-type: none"> Reliably and speedily—potentially, automatically—approves accurate, self-certified applications Substantively reviews applications that do not meet the requirements for self-certification Registers placement and maintains a registry of devices and associated applications and RDIA's <ul style="list-style-type: none"> Open question regarding whether this registry should be made publicly available. Audits de-identification and storage.
Traditionally Collected Data Involving Direct Consent (e.g. apps and websites)	<ul style="list-style-type: none"> Issue that extends beyond Quayside Harder to see this data as a public asset Local, geographically-bound governance regime unworkable given the lack of a relationship between this kind of data collection and geography. Sidewalk Labs will hold itself and its partners to high standards given the role it will play in this community 	<ul style="list-style-type: none"> RDIA is not required for third parties Sidewalk Labs commits to filing RDIA's with the Data Trust so that they are publicly transparent 	<ul style="list-style-type: none"> Data Trust not involved, other than to receive and publish Sidewalk Labs RDIA's, as well as any voluntarily filed RDIA's; and to manage any voluntarily contributed data

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All collection and use of Urban Data will require a Responsible Data Impact Assessment

All entities seeking to collect and/or use Urban Data in Quayside will submit Responsible Data Impact Assessments (RDIAs) as part of applications to the Civic Data Trust. The RDIA process will be a core tool for ensuring adherence to the community's Responsible Data Use Guidelines.

The RDIA is an assessment of the prospective use of data involved in an activity, including an analysis of whether the benefits of the activity outweighs the risks involved. It is a vehicle for assessing alignment with principles, legal requirements, and stakeholder expectations.

Responsible Data Impact Assessments are conducted at the design phase, prior to data collection or use.

The RDIA enables parties to make decisions in a consistent, transparent way—and to do so reasonably quickly.

Outcomes

- ✓ Qualitative + Quantitative evaluation
- ✓ Appropriate stakeholders are involved throughout the project
- ✓ Demonstrable accountability
- ✓ Transparent and proactive
- ✓ Ensures Privacy by Design from the design phase, not an afterthought
- ✓ Enables de-identification by default



RESPONSIBLE DATA IMPACT ASSESSMENT

- 1. PURPOSE** of the project/product/service, who is involved and who is accountable
- 2. DATA:** a full understanding of the data, sources, data use and parties involved
- 3. IMPACT** on parties and, in particular, individuals
- 4. ANALYZE** risks and benefits

PRIVACY IMPACT ASSESSMENT

(IF APPLICABLE): If the project/product/service involves the collection or use of Personal Information, a Privacy Impact Assessment is also required.

DECISION: Whether an appropriate balance of benefits and mitigated risks supports the data processing activity

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Responsible Data Impact Assessment Section 1: Purpose

Illustration of what the Assessment form might address.

SAMPLE RESPONSIBLE DATA IMPACT ASSESSMENT

Project Name/Description

Project Objective

What is the ultimate goal of this project?

If a pilot or partnership, what does it seek to demonstrate or achieve?

Does the activity fit within a larger theme of work that is currently being contemplated or undertaken?

Stakeholders

Who is collecting/using the data, and are the other stakeholders involved?

e.g. partners, vendors, customers, government, etc.

Note: This slide has been updated
for clarity from the 10/15 version.

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Responsible Data Impact Assessment Section 2: Data

Illustration of what the Assessment form might address.

SAMPLE RESPONSIBLE DATA IMPACT ASSESSMENT

Nature of Data

What specific types of data will be collected, tracked, transferred, used, stored or processed?

If project is at the concept stage, what data do you anticipate collecting or using?

Is the data about people, and if so, is it identifiable to a person or is it de-identified?

If Personal Information is collected, a Privacy Impact Assessment is also required

Is the data or anticipated use of the data sensitive?

Sensitive categories of data and/or use include information that is used to analyze or make decisions based on race, ethnic origin, religion or philosophical belief, gender, sexual orientation, physical or mental health, information or data that could be used to facilitate identity theft. A sensitive use of data may also be where there is a reasonable expectation the use of the data would be embarrassing or be considered sensitive to the individual whose data it is.

Sources of Data

Will data be provided by third parties?

Will data be collected by sensors? What type, and where are the sensors located?

Note: This slide has been updated for clarity from the 10/15 version.

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Responsible Data Impact Assessment Section 3: Impacts

Illustration of what the Assessment form might address.

SAMPLE RESPONSIBLE DATA IMPACT ASSESSMENT

Impact to Individuals and Groups

Identify all the parties impacted by this data activity, and the impacts it will have.

What are the stated and unstated expectations of individuals, groups of individuals, and society for each use of the data?

Benefits

What are the benefits to the individual or groups of individuals?

What are the benefits to society?

What are the benefits to other stakeholders?

Risks (Inherent)

Considering all the factors relating to the data, the likely data use, the identifiability and sensitivity of the data, what are the risks to the individual, groups of individuals, society?

Is it foreseeable that data use might seem surprising, inappropriate or discriminatory or might be considered offensive causing distress or humiliation?

Could the data be used in a way that may result in a group of individuals being treated differently from other groups of individuals?

Is the accuracy and/or quality of the data appropriate for the data activity? Does the relative accuracy of the data have an impact on individuals/groups?

Note: This slide has been updated for clarity from the 10/15 version.

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Responsible Data Impact Assessment Section 4: Analysis

Illustration of what the Assessment form might address.

SAMPLE RESPONSIBLE DATA IMPACT ASSESSMENT

Mitigating Risks

What are the technical and procedural safeguards (mitigating controls) that are being implemented to prevent and mitigate risks described above should they occur (e.g. encryption and delinking of data or increased transparency)?

How have Privacy by Design control standards been applied?

Are you using analytical driven models, insights or algorithmic decision making, that could impact individuals?

Is there a less data intensive way to achieve the goals of the data activity (including potential insights)?

Decision Analysis

Is there a net benefit?

Are there any other factors that should be considered?

Does the data activity comply with all laws, cross-border, policy, contractual, industry or other obligations organizational policies and self-regulatory commitments?

Does the purpose of the activity fit within the values of society?

Have all the stakeholder concerns identified in the Governance of Data section been appropriately addressed?

Is their appropriate Notice, Consent and Control as part of the data collection and use?

After considering all the above factors, is the activity a "go", "no go", or should some aspect of the activity be recalibrated to reduce the residual risk?

Note: This slide has been updated for clarity from the 10/15 version.

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Hypothetical Case Study 01: Traffic Management System

Traffic management system in Quayside by Sidewalk Labs

Future hypothetical: Sidewalk Labs is working to implement a plan approved as part of the Master Innovation and Development Plan for a traffic management system in Quayside, which involves pedestrian counters and adaptive traffic lights.

APPLICATION 1

Pedestrian Counters

Sidewalk Labs submits an application and RDIA for pedestrian counters to the Data Trust. Because the data is non-identifiable and will be made freely and publicly available, it can be self-certified.

- **The Data Trust publishes the RDIA** and adds the locations where the pedestrian counters will be installed to its public registry.
- **The pedestrian counters are installed**, and the data from the counters is made freely and publicly available, and not owned by Sidewalk Labs.
- **Pedestrian count data is used** as part of the traffic management system.
- **The data is also accessed by a community group** to make the case for the need for a street redesign.

APPLICATION 2

Adaptive Traffic Lights

Sidewalk Labs submits an application and RDIA to deploy devices developed by a partner that use computer vision to compute de-identified paths and speeds of cars, cyclists, and pedestrians.

- **Depending on the policies of the Data Trust**, this application may:
 - (1) be allowed to self-certify because the data is de-identified in real time; or
 - (2) be subject to substantive review and, if real-time de-identification is confirmed, approved.
- **The Data Trust publishes the RDIA** and adds the locations where the adaptive traffic lights will be installed to its public registry.
- **The adaptive traffic lights are installed**, and the de-identified data feeds are made freely and publicly available, not owned by Sidewalk Labs.
- **That data is used** as part of the traffic management system.
- **The data is also accessed by another company** that believes it can process this data more effectively and produce better results.

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Hypothetical Case Study 02: Parks Improvement Study

Parks improvement study by a new third-party startup

Future hypothetical: Startup A is working on a project to make recommendations about improving environmental conditions and usage patterns at several parks throughout the City, including one in Quayside. This hypothetical scenario involves both air quality sensors and video cameras in the park.

APPLICATION 1

Air Quality Sensors

Startup A submits an application and RDIA for air quality sensors to the Data Trust. Though the data is non-identifiable, Startup A will incur a substantial financial burden in installing the sensors and seeks to recoup its investment by selling the data to companies trying to reduce their negative environmental impacts. Startup A asserts that it will not move forward with this project if the data is made freely and publicly available from the start.

- **This application may not be self-certified** because Startup A seeks to maintain proprietary control of the data.
- **The Data Trust reviews the application, judges it to provide a net benefit to the public, and approves on the condition** that proceeds from the sale of the data will be shared between Startup A, the City, and the Data Trust.
- **The Data Trust publishes the RDIA** and adds the locations where the air quality sensors will be installed to its public registry.
- **The air quality sensors are easily installed** using open standards-based mounts, and access to the data is limited to Startup A.
- **After a time, the data is made freely and publicly available.** It is then accessed by a weather app providing air quality alerts that decides to start funding the ongoing operations and maintenance of the technology.

APPLICATION 2

Video Cameras

Startup A submits an application and RDIA for video cameras to capture usage patterns at the park in Quayside.

- **This application may not be self-certified** because it involves the collection of personal information.
- **The Data Trust reviews the application and approves on the condition** that the video footage will be used only for the purposes of the park improvement project, and will be destroyed on a rolling basis after seven days. Startup A must also, in accordance with existing requirements, prominently post signage around the cameras.
- **The Data Trust publishes the RDIA** and adds the locations of the cameras to its public registry.
- **The cameras are easily installed using open standards-based mounts,** and the footage is reviewed and then destroyed on a rolling basis, meeting the seven-day requirement.

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Quality of life comes first—no tech for tech's sake

This neighbourhood is not about technology for technology's sake.

We are focused on technological and urban design solutions to real problems.

RECAP

From the start of this project, we imagined a set of new experiences that could be possible in a new type of city.

Streets that prioritized safety, pedestrians, and cyclists, because they are designed to anticipate shared, self-driving vehicles that wouldn't need much parking and could communicate with each other and with traffic lights. This would mean significant amounts of street space given back to pedestrians and cyclists, less congestion, and far fewer accidents.

Buildings with a far more diverse and vibrant mix of uses as a result of "outcome-based code," which doesn't require uniformity of use but rather ensures structural integrity, air quality, and noise levels through conditions-sensing technology.

Significantly reduced carbon emissions achieved by technology that monitors and manages energy demand across the neighbourhood.

We have identified a set of innovations that could help improve urban life in Quayside. A non-exhaustive list:

Mobility	Traffic management technology and adaptive traffic lights to reduce congestion and increase safety.
Public Realm	Structural innovations to create active weather mitigation tools that can be deployed based on real-time hyperlocal measurements of rain and wind.
Sustainability	Energy demand management technology, thermal heating and cooling, and other innovations to push toward climate positivity.
Community	Engagement tools to provide informed input into neighbourhood decision making.
Buildings	Construction innovation to enable a mix of affordability levels and real-time monitoring of building conditions to enable a mix of uses.
Access + Equity	Truly ubiquitous connectivity and focused efforts to improve digital literacy to bridge the digital divide.
Accessibility	Tools to make the community more accessible, such as spoken information about the physical environment and sensors to detect snow in curb cuts.

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Sidewalk Labs will build solutions—but not exclusively

We have identified solutions we believe will help make this a great place for people to live, and we are committed to bringing those to life. But we will also encourage others to create better solutions—because we will never have all the best ideas.

AN EXAMPLE: ENERGY USE

One key approach to creating a climate-positive neighbourhood is to measure how energy is used and optimize it using machine learning. Sidewalk Labs will work with partners to develop technology to measure aggregated and de-identified energy use by systems including heating and cooling, apply algorithms to propose optimizations, and build control systems to implement those optimizations. Aggregated and de-identified energy use measurements would be considered Urban Data and will be made freely and publicly available by the Civic Data Trust in order to stimulate research and development of even better techniques by others.

To accomplish this, Sidewalk Labs will:

- Identify and deploy **devices from the market that measure energy use and environmental conditions**
- With local partners, develop and deploy a **ubiquitous network** to allow those measurements to be communicated in real time
- Design **standardized mounts** for light poles and buildings to reduce the cost of deploying network access points and devices
- Build a **digital map** of the neighbourhood—with an unprecedented level of accuracy
- Create an **open data hub** that will provide real-time access to data in standard formats through well-documented interfaces in order to make measurement data that goes to the Data Trust easily accessible

This will not be done to the exclusion of others. To the contrary, this place will be more successful when alternatives are encouraged:

- When better devices are developed, it should be **easy to replace Sidewalk Labs-developed technology**
- We expect and encourage **many network providers** to provide service in this neighbourhood
- Better approaches to deploying network access points and devices will be able to supplant ours
- The digital map will be created by broad collaboration and be made freely and publicly available to all by a Civic Data Trust
- There will likely be several data hubs, making it easy to understand and work with publicly available data

The same open approach will apply to solutions for **mobility, public realm, community, buildings, accessibility**, etc.

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Enabling innovation by a wide range of players

Designing technology to support our quality of life goals has revealed patterns: common pieces of infrastructure and specific services that are required to bootstrap digital innovation in the neighbourhood for Sidewalk Labs and others.

WHAT SIDEWALK LABS WILL BUILD

Taking the same approach to designing solutions for **sustainability, flexible public realm, community, buildings, accessibility**, etc. leads us to believe that we should create a new standard for digital infrastructure and services in cities, including:

- Ubiquitous connectivity
- Standardized mounts and power
- A high-resolution 3D map of the neighbourhood
- An open data hub which will provide real-time access to data in standard formats through well-documented interfaces

The fact that Sidewalk Labs is committing to build these components does not preclude others from deploying technology that improves on, competes with, or replaces them.

WHAT OTHERS WILL BUILD

The lion's share of technologies that make Quayside unique will be developed and deployed by an ecosystem of many innovators:

- Just as in the World Wide Web, multiple providers can coexist, and technological solutions can integrate, as long as they agree on standards
- Others should be welcome to provide better, different, cheaper infrastructure and services
- We hope that this will enable a wide range of Canadian startups to innovate more quickly, and use Quayside as a springboard to success
- All systems collecting or using Urban Data —whether created by Sidewalk or third parties—will be subject to Civic Data Trust governance

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Open architecture makes this possible

Sidewalk Labs will not create a centralized, monolithic platform. Rather, we will work with partners to create an open architecture—one that enables and encourages collaboration and experimentation.

In order for anyone to innovate, and have the opportunity to replace components that Sidewalk Labs and others build, there must be no proprietary lock-in. This requires:

- **Well-documented, standardized formats and interfaces**

- Any party will have the information required to build a replacement component for any urban system, or to create an entirely new application.

- **Easy access to public-domain data**

- Standards are worthless if it's not possible to get access to data. For example, devising a new optimization algorithm for traffic requires training and test data, so traffic volume data should be made broadly available.

- **Data portability**

- An existing system will likely have access to historical data provided to it by neighbourhood systems. This data should be able to be exported from the existing system so that new systems are not at a disadvantage for training and bootstrapping.
- This is similar to email systems that allow the user to export all of their historical email messages so that they can move to a new provider, eliminating lock-in.

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Urban Digital Architecture Sketch

Each function within the urban technology stack will be served by Sidewalk Labs and also by others. Interchangeability requires standardized interfaces and formats.



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Example of an Open System: The World Wide Web

If urban technology used open standards in the same way that the World Wide Web does, innovation would explode, and the risk of vendor lock-in would be dramatically reduced.

You can use any browser...



to visit any web page...



served by any web server.



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Example: World Wide Web Standards

Standards enable innovation and competition.

Formatting

Hypertext Markup Language (HTML),
Cascading Style Sheets (CSS)

Images

Portable Network Graphics (PNG),
Joint Photographic Experts Group (JPG)

Interactivity

JavaScript

Communication

HyperText Transfer Protocol (HTTP)

Security

Secure Sockets Layer (SSL)

Anyone can build a web browser

as long as it implements standards like HTML, CSS, JavaScript, HTML and SSL. The most popular browsers are free, and their cores are open source.

Likewise, anyone can build a web server as long as they implement HTTP, SSL, etc. The most popular servers are free and open source.

With partners, we hope to significantly advance a competitive, innovative urban technology ecosystem by using, developing, and promulgating standards.



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 - 04 Governance Case Studies
 - 05 Open Digital Infrastructure and Services
 - 06 Data Localization**
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Ensuring the protection of data in accordance with Canadian Law does not require data localization

Canada and other places with leading data protection regimes have recognized the ineffectiveness of one-size-fits-all and/or technology-specific requirements, and the importance of context—that the best way to achieve data protection in any given context depends on the types of data, entities, and jurisdictions involved.

With specific exceptions, data localization is not presently a requirement of Canadian or Ontario law. In addition, data localization:

- Is not necessary to ensure that data that originates in Canada is handled in accordance with Canadian law with regard to privacy protections, which can be achieved through contractual and technical mechanisms
- Presents technical and operational obstacles, including access to redundant storage locations to ensure security and availability
- Increases costs, which may raise barriers to entry for less mature companies
- Runs counter to the way information travels across the internet, without regard to geographic boundaries

For these reasons, Sidewalk Labs does not believe that it is sensible to impose a data localization requirement for innovators in Quayside.

Sidewalk agrees with the position of the Business Council of Canada, as expressed in its September 2018 Report on the Data Economy

- “ *Individuals and businesses should be free to transfer data across provincial and international borders, provided appropriate safeguards are in place.* ”
- “ *There should be a general presumption against local data storage and processing requirements. Governments may need to exercise sovereignty over data flows in rare cases when it is necessary to protect the public interest.* ”

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In summary: our proposed approach

Robust governance, an open system, and protection of data.

Establishment of a Data Trust: Sidewalk proposes the establishment of an independent Civic Data Trust, which would approve and control the collection of, manage access to, and potentially store data collected in the physical environment, known as “Urban Data.”

Data Trust to Make Urban Data Freely and Publicly Available: As a default, the Data Trust would make de-identified Urban Data freely and publicly accessible, eliminating the concept of data ownership. Specific approval by the Data Trust would be required for entities to collect Urban Data with personally identifying information (such as CCTV cameras) or Urban Data collected on a more proprietary basis.

Responsible Data Impact Assessments: Responsible Data Impact Assessments (RDIAs) would be used to ensure Privacy By Design and adherence to Responsible Data Use Guidelines in every part of the project and all collection of Urban Data, whether by Sidewalk or other parties. RDIAs would be filed with the Data Trust before the collection and/or use of any Urban Data within the project geography by any entity.

RDIAs and Registry of Devices Maintained by the Data Trust: RDIAs, along with a registry of devices collecting Urban Data, would be maintained and made publicly available by the Data Trust.

An Ecosystem of Technologies by Many Innovators: Sidewalk anticipates providing specific pieces of critical digital infrastructure and specific, use-case-driven technologies to achieve quality-of-life goals. All technologies provided by Sidewalk will be based on open standards, making it easy for the lion’s share of technology in the neighbourhood to be provided by others.

Data Always Handled in Accordance with Canadian Law: To ensure that Canadian law and values are applied to data, Sidewalk Labs will use a toolbox of mechanisms, including contractual protections, technical protections, and edge computing, where data is processed on-device and not transferred to a central server. Sidewalk does not propose a data localization requirement specific to Quayside.

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Reviewing what we heard

How our thinking addresses key questions.

Confusion about Sidewalk Labs' plans related to data, exacerbated by the time it's taken to work through complicated issues

We hope that these proposals have provided some clarity on how we are approaching a range of critical issues—all subject to your feedback and ongoing consultation.

Concern that data monetization is a key part of Sidewalk Labs' business model

It is not, and the governance of the Civic Data Trust is intended to ensure that no private entity can gain unfettered access to and ownership of data collected in Quayside.

Is Sidewalk Labs, and this project, intended to be a data source for Google?	No (see p. 4)
How will data—particularly data collected in the physical environment, which some argue should be considered a public asset—be protected and governed?	By an Independent Civic Data Trust, using Responsible Data Impact Assessments to promote the beneficial use of data and transparency (see p. 13)
Who will own and control the data that originates in Quayside's physical environment?	The concept of ownership will not apply to Urban Data in most cases, with the Data Trust making de-identified data freely and publicly available as a default matter and/or controlling access. Data will be under the control of another entity only in select cases, which will be determined once an RDIA has been submitted and the Trust has examined the public benefits involved. (see p. 13)
How do we address the difficulty of obtaining consent when collecting data in the physical environment?	By implementing a robust form of community consent represented by the Civic Data Trust (see p. 14)
What are the respective roles of Sidewalk Labs, other private sector players, and governments, when it comes to data and technology?	<ul style="list-style-type: none"> • Sidewalk provides some critical infrastructure and core services (see pp. 27-29) • Other players provide the lion's share of technology (see pp. 29-33) • Governments enforce privacy laws (see pp. 10, 13) • Data governance provided independently by the Data Trust, which may involve government in its establishment or ongoing work (see p. 13)
How do we ensure all innovators, including Sidewalk Labs, will be on equal footing in Quayside?	Through open standards; a limited, catalyzing role for Sidewalk Labs; and a governance model that applies equally to all players (see p. 30)
How do we make sure the protections of Canadian law apply to all data originating in Quayside?	We can ensure that data will always be handled in accordance with the laws of Canada without a data localization requirement (see p. 35)

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Some of our open questions

In addition to seeking general feedback on this presentation from the DSAP, a number of specific questions are on our minds.

1. **What needs to be added** to the Responsible Data Use Guidelines to avoid vendor lock-in?
Are there other additions or edits to consider for the Guidelines?
2. **How should a Civic Data Trust** with the broad authority we propose be established? Can it be established by contract?
Can it be achieved through standards imposed by Waterfront Toronto? Or does it require legislation?
3. **What should the structure**, staffing, and, if pertinent, board composition of the Civic Data Trust look like?
4. **Should the Civic Data Trust** act as a repository for data? Is this necessary, and what are the upsides and challenges attendant to that responsibility?
5. **What will be involved** in getting the Civic Data Trust up and running, and how will this be funded? How will ongoing operations of the Civic Data Trust be funded? Should the Civic Data Trust have the authority to charge for access to certain kinds of data? How would that relate to the goal of making data freely and publicly accessible?
6. **Should the Trust** carry liability related to the improper collection or use of data under its jurisdiction?
7. **Are the typologies of Urban Data** well-crafted and have we drawn the lines between self-certification and substantive review in the right places?
8. **What are the mechanisms** and who will be responsible for enforcement?
9. **How can we best encourage** use of open standards?

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SCENARIO NOTE TO THE MINISTER

MEETING BETWEEN MINISTER OF INFRASTRUCTURE AND COMMUNITIES AND DAN DOCTOROFF, CEO, SIDEWALK LABS

MEETING DETAILS

- **DATE/TIME:** Monday, October 15, 2018, (Time TBC)
- **LOCATION:** Fortune Global Conference, Toronto (Location TBC)
- **PARTICIPANTS:**
 - The Honourable Francois-Philippe Champagne, Minister of Infrastructure and Communities
 - Dan Doctoroff, Chief Executive Officer, Sidewalk Labs (see Bio in Annex A).

PURPOSE

- To learn about Sidewalk Lab's (Sidewalk) plans to reimagine Toronto's eastern waterfront as a smart city pilot, and how they see this vision being adopted in areas across Canada.

HIGHLIGHTS/KEY CONSIDERATIONS

- Sidewalk is working with Waterfront Toronto on a development plan that would see the eastern waterfront Quayside area become a new technology-enabled neighbourhood where digital solutions and forward-thinking urban design could be tested and applied to improve the quality of life for people in cities.
- This meeting presents an opportunity to learn how the Quayside project is unfolding in collaboration with Waterfront Toronto, and Sidewalk plans for public engagement on key aspects of the Quayside plan (e.g., data collection, governance, ownership as well as privacy) in advance of completing the Master Innovation and Development Plan (MIDP) in early 2019. See introductory letter from Mr. Doctoroff in Annex B.
- Sidewalk's broader vision as a company is to "blend people-centered urban design with technology to achieve new standards of sustainability, affordability, mobility, and economic opportunity" and they have signalled interest in partnering with governments on this vision.
- Quayside is one of two major initiatives being undertaken by Waterfront Toronto. The other is the Port Lands flood protection project, for which a contribution agreement representing the federal, provincial, and municipal governments' commitment of \$1.25 billion was signed on May 1, 2018, and will unlock a much larger piece of real estate for future development.

KEY BACKGROUND

- Waterfront Toronto is an independent agency created in 2001 under provincial statutes by Canada, Ontario and the City of Toronto to manage the Toronto Waterfront Revitalization Initiative. SWL was created by Google's parent company Alphabet in 2015 to design, test, and build urban innovations.
- In a November 2017 announcement attended by the Prime Minister, Waterfront Toronto selected SWL as a funding and innovation partner to develop Quayside, a small geographic area on the waterfront, following a public and global RFP process.
- Under an agreement between Waterfront Toronto and Sidewalk, the company has committed \$50 million towards fully developing a long-term development plan for Quayside. No lands or other rights have been committed to Sidewalk and the terms of the Plan Development Agreement (PDA) allow for a process to work on a plan for development.
- Sidewalk will also consider moving Google Canada's headquarters to the waterfront area as an anchor for the urban innovation cluster, and has committed to promoting innovation in Toronto through establishment of a new institute. Waterfront will need to take any development plan before the three orders of government should there be need for specific approvals of initiatives under the plan.
- While Sidewalk, working with Waterfront, has engaged with the public on early aspects of its development proposal, there are still many uncertainties about the Sidewalk plans at this early stage. While there are many debates on topical issues, plans have yet to be fleshed out for data collection and governance, prompting vocal concerns around privacy, data governance, procurement/intellectual property and the privatization of urban planning. On the other hand many supporters point to the benefit of positioning Toronto at the leading edge of experimentation and urban innovation, as well as setting new benchmarks for digital governance. This innovation and technology adoption is happening and this project potentially allows for Canada to actively participate and gather experience and intelligence on how policy frameworks may need to adapt to changing realities.
- As it may pilot first-to-market technologies, the Quayside project is expected to generate much larger, at scale, proposals that will need to be weighed against current policies at federal, provincial and municipal level. More broadly it may test the balance between fostering innovation and appropriate frameworks for public trust, namely digital governance laws and regulations.
- Both Waterfront Toronto and Sidewalk Toronto have been encouraged to be highly attentive to public consultation, transparency and outreach during the planning phase and to establish appropriate bodies to provide guidance, such as the Waterfront's Digital Advisory Panel that will help identify and frame policy issues that will arise under the planning for Quayside.

PROPOSED TALKING POINTS/PROPOSED QUESTIONS

- The Quayside project undertaken by Waterfront Toronto is a very exciting and ambitious project to promote innovation and advanced urban planning to produce better outcomes for the communities.
- Key to any successful outcome will be public support during both the planning phase and eventually when a master innovation and development plan comes forward for consideration. Public engagement as well as openness and transparency are important to the government partners that oversee Waterfront Toronto.
- Sidewalk Toronto, working with Waterfront, should continue to engage the public and leverage expertise as needed on all aspects of the Quayside proposal, given the cutting edge technology and smart infrastructure potential, but also given the concerns over the role technology plays in the lives of citizens now and in the future.
- We look forward to seeing the components of the full plan, and its strategy for balancing innovation and public trust. Waterfront Toronto, as an independent agency, will ultimately need to come forward to its government stakeholders on the plan for Quayside, and frankly the wider waterfront vision.
- As you know, my colleague Minister Bains is leading public consultations on the ways digital technology and a data-driven economy are affecting Canadians, as the Government of Canada is thinking hard on appropriate policy frameworks to support innovation but also protect privacy of Canadians.

Questions

- What is the overall magnitude of the investment that Sidewalk and Alphabet may be considering for the Toronto waterfront should governments approve a plan? What roles will Sidewalk envision playing itself, including infrastructure investment?
- Are you able to shed light on how the plan is coming together and the process you are following in collaboration with Waterfront Toronto?
- What are the key challenges and impediments you see in developing the plan and creating sufficient public and government support to make it a reality?

Mr. Dan Doctoroff
Chief Executive Officer, Sidewalk Labs



Dan Doctoroff is Chairman and Chief Executive Officer of Sidewalk Labs. Prior to joining Sidewalk Labs, Dan was President and Chief Executive Officer of Bloomberg L.P., the leading provider of news and information to the global financial community. During the seven years that he led the company, despite the 2008 financial crisis, Bloomberg's organic revenues nearly doubled.

Prior to joining Bloomberg L.P., Dan served as Deputy Mayor for Economic Development and Rebuilding for the City of New York. With Mayor Michael R. Bloomberg, Dan led the city's dramatic economic resurgence, spearheading the effort to reverse New York's fiscal crisis after 9/11 through a five-borough economic development strategy. This plan included the most ambitious land-use transformation in the city's modern history; the rebuilding of the World Trade Center site; the largest affordable housing program ever launched by an American city; and the formation of new Central Business Districts and Industrial Business Zones. Dan also oversaw the creation of PlaNYC, New York's path-breaking sustainability plan.

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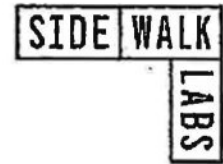
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Dan is a graduate of Harvard College and The Law School at the University of Chicago.

A native of Michigan, Dan has lived in New York for the past 32 years with his wife, Alisa. The Doctoroffs have three grown children.

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The Honourable Francois-Philippe Champagne
Minister of Infrastructure and Communities
180 Kent St, Ottawa, Ontario, Canada
K1P 5P5

Dear Minister Champagne,

Congratulations on your recent appointment as Minister of Infrastructure and Communities. Sidewalk Labs supports your government's objective to make Canada a great place to invest and build jobs for the middle class — and we look forward to working together with you to achieve this.

Our mission as a company is to dramatically improve quality of life for people in cities by combining digital technology and forward-thinking urban design. Growing cities face many challenges: longer commutes, higher rents, and unevenly distributed economic opportunities.

We are working to tackle these challenges on Toronto's waterfront through a project called Sidewalk Toronto, working in partnership with the tri-government agency Waterfront Toronto, the city, and the local community. We believe Sidewalk Toronto can achieve new levels of prosperity and affordability and make Toronto and Ontario a global hub for urban innovation — leading to significantly more jobs, businesses, and investments in the future of this great region.

Sidewalk Labs has already committed US\$50 million to develop the plans for Sidewalk Toronto and engage stakeholders in Toronto and Ontario. We have hired 16 employees in Canada already this year and employ 45 Canadian firms to support our work. Earlier this month, we opened a new waterfront office and a place for the public to participate in our innovation and development process.

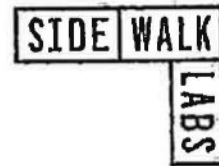
And this is just the beginning.

Over the next four years, Sidewalk Labs and our parent company, Alphabet, want to work with you to deliver a plan that will lead to thousands of new jobs and billions of dollars of new investment in essential infrastructure.

While our primary focus is on Toronto's waterfront, we believe many of the solutions and innovations developed there can be adopted by other areas or neighbourhoods throughout the country, leading to benefits for more Canadians. We will partner with Canadian universities and companies to help local startups scale and help local workers find jobs in growth sectors such as technology. Most of all, we will

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create the open conditions for Canadians to launch new companies of their own — turning the waterfront in Toronto into a hub for entrepreneurs trying to build the next great global business.

As soon as you are available, I would like to arrange for a meeting to discuss how we can partner to reimagine Toronto's eastern waterfront and create jobs and economic growth for Canada. Please have your team contact me at [REDACTED] and I would be happy to discuss the Sidewalk Toronto project with you further.

Congratulations again on your appointment to this important and exciting new role.

Sincerely,

[REDACTED]
Daniel L. Doctoroff
CEO



SCENARIO NOTE TO THE MINISTER

MEETING BETWEEN MINISTER OF INFRASTRUCTURE AND COMMUNITIES AND DAN DOCTOROFF, CEO, SIDEWALK LABS

MEETING DETAILS

- **DATE/TIME:** Thursday, December 6, 2018, 18h00
- **LOCATION:** Minister's Office (10-014)
- **PARTICIPANTS:**
 - The Honourable Francois-Philippe Champagne, Minister of Infrastructure and Communities
 - Dan Doctoroff, Chief Executive Officer, Sidewalk Labs (see Bio in Annex A).

PURPOSE

- To learn about Sidewalk Lab's (Sidewalk) plans to reimagine Toronto's eastern waterfront as a smart city pilot, and how they see this vision being adopted in areas across Canada.

HIGHLIGHTS/KEY CONSIDERATIONS

- Sidewalk is working with Waterfront Toronto on a development plan that would see the eastern waterfront Quayside area become a new technology-enabled neighbourhood where digital solutions and forward-thinking urban design could be tested and applied to improve the quality of life for people in cities.
- This meeting presents an opportunity to learn how the Quayside project is unfolding in collaboration with Waterfront Toronto, and Sidewalk plans for public engagement on key aspects of the Quayside plan (e.g., data collection, governance, ownership as well as privacy) in advance of completing a draft of the Master Innovation and Development Plan (MIDP) in early 2019. See introductory letter from Mr. Doctoroff in Annex B.
- Sidewalk's broader vision as a company is to "blend people-centered urban design with technology to achieve new standards of sustainability, affordability, mobility, and economic opportunity" and they have signalled interest in partnering with governments on this vision.
- Given its breadth of ambition, the Quayside development plan will implicate the mandates of different departments and ministries across the three orders of government. INFC continues to work as the portal into the federal government as specific policy issues and engagement opportunities around Quayside emerge.

KEY BACKGROUND

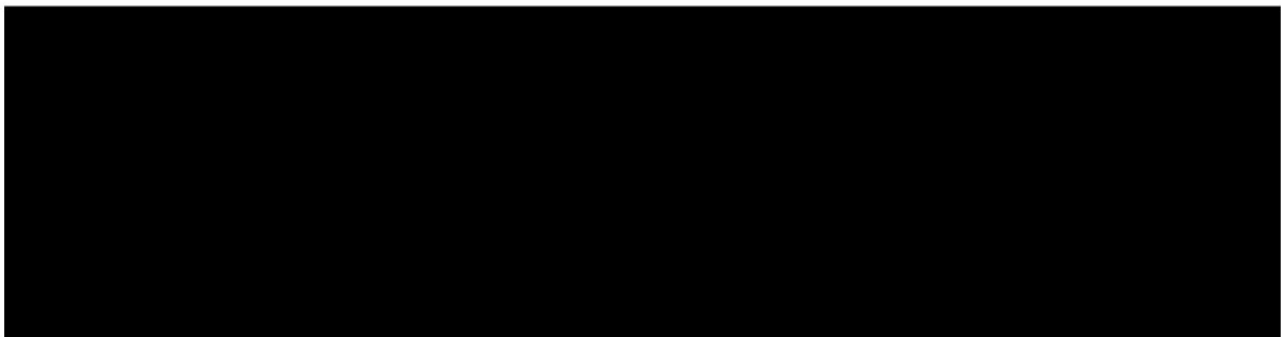
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- In a November 2017 announcement attended by the Prime Minister, Waterfront Toronto selected SWL as a funding and innovation partner to develop Quayside, a small geographic area on the waterfront, following a public and global RFP process.
- Under an agreement between Waterfront Toronto and Sidewalk, the company has committed \$50 million towards fully developing a long-term development plan for Quayside. No lands or other rights have been committed to Sidewalk and the terms of the Plan Development Agreement (PDA) allow for a process to work on a plan for development.
- Sidewalk will also consider moving Google Canada's headquarters to the waterfront area as an anchor for the urban innovation cluster, and has committed to promoting innovation in Toronto through establishment of a new institute.
- While Sidewalk, working with Waterfront, has engaged with the public on early aspects of its development proposal, public concerns continue to be voiced around privacy, data governance, procurement/intellectual property and the privatization of urban planning.
- As part of their response to these concerns, on October 18, 2018 Sidewalk Labs outlined draft proposals for a Quayside digital governance framework at a meeting of Waterfront Toronto's arms-length Digital Strategy Advisory Panel (DSAP) (see full deck attached as Annex C).
 - The proposals include development of responsible data use guidelines; the application of open data standards and requirement for a Responsible Data Use Impact Assessment; and, the creation of a Civic Data Trust, an independent entity to control, manage and make publicly accessible all data that could reasonably be considered a public asset.
- Waterfront and Sidewalk continue to work with the DSAP, other data experts and members of the public to refine the governance framework as draft chapters of the MIDP are being finalized. INFC is closely monitoring this activity.
- Many supporters of Quayside point to the benefit of positioning Toronto at the leading edge of experimentation and urban innovation, as well as setting new benchmarks for digital governance. Smart city innovation and technology adoption is happening and this project potentially allows for Canada to actively participate and gather experience and intelligence on how policy frameworks may need to adapt to changing realities.
- As it may pilot first-to-market technologies, the Quayside project is expected to generate much larger, at scale, proposals that will need to be weighed against current policies at federal, provincial and municipal level. More broadly it may test the balance between

fostering innovation and appropriate frameworks for public trust, namely digital governance laws and regulations.

- Both Waterfront Toronto and Sidewalk Toronto have been encouraged to be highly attentive to public consultation, transparency and outreach during the planning phase and to establish appropriate bodies to provide guidance, such as the Waterfront's Digital Strategy Advisory Panel that will help identify and frame policy issues that will arise under the planning for Quayside.
- Importantly, Waterfront will need to take any development plan before the three orders of government should there be need for specific approvals of initiatives under the MIDP.

PROPOSED TALKING POINTS/PROPOSED QUESTIONS

- The Quayside project undertaken by Waterfront Toronto is a very exciting and ambitious project to promote innovation and advanced urban planning to produce better outcomes for the communities.
- Public trust and community engagement on Quayside is key and due process is important to that outcome.



- We also look forward to seeing how the components of the full plan balance innovation and public trust, particularly as it relates to data governance.
- As you know, my colleague Minister Bains led public consultations on the ways digital technology and a data-driven economy are affecting Canadians, as the Government of Canada is thinking hard on appropriate policy frameworks to support innovation but also protect privacy of Canadians.

Questions

- Are you able to shed light on how the plan is coming together and the process you are following in collaboration with Waterfront Toronto?
- How much of the plan is scalable or could be scoped differently?
- Will there be options around who delivers various components of the plan?

- How does Sidewalk plan to monetize its involvement as a business?
- What is Sidewalk's view on how the manage and address issues and perceptions around digital governance and data usage?
- What are the key challenges and impediments you see in developing the plan and creating sufficient public and government support to make it a reality?

Mr. Dan Doctoroff
Chief Executive Officer, Sidewalk Labs



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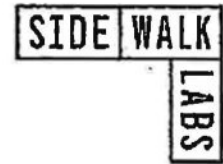
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The Honourable Francois-Philippe Champagne
Minister of Infrastructure and Communities
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K1P 5P5

Dear Minister Champagne,

Congratulations on your recent appointment as Minister of Infrastructure and Communities. Sidewalk Labs supports your government's objective to make Canada a great place to invest and build jobs for the middle class — and we look forward to working together with you to achieve this.

Our mission as a company is to dramatically improve quality of life for people in cities by combining digital technology and forward-thinking urban design. Growing cities face many challenges: longer commutes, higher rents, and unevenly distributed economic opportunities.

We are working to tackle these challenges on Toronto's waterfront through a project called Sidewalk Toronto, working in partnership with the tri-government agency Waterfront Toronto, the city, and the local community. We believe Sidewalk Toronto can achieve new levels of prosperity and affordability and make Toronto and Ontario a global hub for urban innovation — leading to significantly more jobs, businesses, and investments in the future of this great region.

Sidewalk Labs has already committed US\$50 million to develop the plans for Sidewalk Toronto and engage stakeholders in Toronto and Ontario. We have hired 16 employees in Canada already this year and employ 45 Canadian firms to support our work. Earlier this month, we opened a new waterfront office and a place for the public to participate in our innovation and development process.

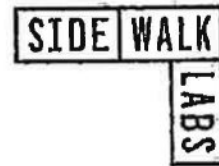
And this is just the beginning.

Over the next four years, Sidewalk Labs and our parent company, Alphabet, want to work with you to deliver a plan that will lead to thousands of new jobs and billions of dollars of new investment in essential infrastructure.

While our primary focus is on Toronto's waterfront, we believe many of the solutions and innovations developed there can be adopted by other areas or neighbourhoods throughout the country, leading to benefits for more Canadians. We will partner with Canadian universities and companies to help local startups scale and help local workers find jobs in growth sectors such as technology. Most of all, we will

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create the open conditions for Canadians to launch new companies of their own — turning the waterfront in Toronto into a hub for entrepreneurs trying to build the next great global business.

As soon as you are available, I would like to arrange for a meeting to discuss how we can partner to reimagine Toronto's eastern waterfront and create jobs and economic growth for Canada. Please have your team contact me at [REDACTED] and I would be happy to discuss the Sidewalk Toronto project with you further.

Congratulations again on your appointment to this important and exciting new role.

Sincerely,

[REDACTED]
Daniel L. Doctoroff
CEO

Sidewalk Labs

October 2018

Digital Governance Proposals for DSAP Consultation

DRAFT PROPOSALS

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Sidewalk Labs started with a belief...

By integrating forward-thinking urban design and technological solutions we aim to address urban challenges experienced around the world and fundamentally improve quality of life in cities.

We began by speaking with experts from around the world in fields like mobility, affordable housing, construction, technology, policy, planning, and governance.

From those conversations we envisioned new experiences that could be possible in a new type of city.

Among the new experiences we imagined, we recognized a common theme — that many involved utilizing data in new ways.

We knew that technology could catalyze these solutions, and data would make them better. But we also knew that data for data's sake or tech for tech's sake would not improve quality of life.

From the outset we knew that the monetization of data would not be part of our business model. That is why we committed not to sell personal information or use it for advertising purposes.

The New York Times

TECHNOLOGY

Sidewalk Labs, a Start-Up Created by Google, Has Bold Aims to Improve City Living

June, 2015

The Silicon Valley giant is starting and funding an independent company dedicated to coming up with new technologies to improve urban life. The start-up, Sidewalk Labs, will be headed by Daniel L. Doctoroff, former deputy mayor of New York City for economic development and former chief executive of Bloomberg L.P. Mr. Doctoroff jointly conceived the idea for the company, which will be based in New York, with a team at Google, led by its chief executive, Larry Page.

The founders describe Sidewalk Labs as an "urban innovation company" that will pursue technologies to cut pollution, curb energy use, streamline transportation and reduce the cost of city living. To achieve that goal, Mr. Doctoroff said Sidewalk Labs planned to build technology itself, buy it and invest in partnerships.

A FEW SPECIFIC EXAMPLES

Streets that prioritize safety, pedestrians, and cyclists, because they are designed to anticipate shared, self-driving vehicles that wouldn't need much parking and could communicate with each other and with adaptive traffic lights. This would mean significant amounts of street space given back to pedestrians and cyclists, less congestion, and improved safety.

Buildings with a far more diverse and vibrant mix of uses as a result of "outcome-based code," which doesn't require uniformity of use but rather ensures structural integrity, air quality, and noise levels through conditions-sensing technology.

Significantly reduced carbon emissions achieved by technology that monitors and manages energy demand across the neighbourhood.

...and many more

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We conducted extensive consultations on responsible data use

Over the past year, as Sidewalk Labs prepares a “Master Innovation and Development Plan,” we have had extensive consultations with experts, government, regulators, and residents in Toronto and across Canada.

We engaged Dr. Ann Cavoukian, the three-term Information and Privacy Commissioner of Ontario, who created the internationally adopted **Privacy by Design framework**, as an advisor to the project.

We meet regularly with privacy regulators to talk about our plans and seek guidance. Sidewalk Toronto is the first participant in the Office of the Privacy Commissioner of Canada’s newly formed Business Advisory Directorate.

We convened a Data Governance Working Group of academics, former regulators, technologists including Canada’s leading expert on de-identification, private sector leaders, and community representatives who have advised us on topics ranging from responsible data use in product development to governance and stewardship issues.

We talked to the private sector—early stage startups and large multinationals—about what they see as key opportunities and challenges.

We participated in the public consultations around Canada’s National Data Strategy.

We carefully considered feedback from public roundtables, the Residents Reference Panel, and the Sidewalk Toronto Fellows report.

We studied examples from around the world of best practices, policy innovations, and lessons learned.

We welcomed thousands of people from Toronto and around the world to 307 to engage with our team in conversations about every issue we are looking at, including data.

We established a research grant program to explore a range of complex issues, including the intersection of privacy and the collection of non-personal information in the physical environment.



We engaged privacy regulators on issues related to digital governance

Excerpt from the Office of the Privacy Commissioner of Canada
(Annual Report to Parliament, September 27, 2018).

“We announced in May 2018 our first advisory project involving Sidewalk Toronto, a smart-city endeavor between Waterfront Toronto and Sidewalk Labs,

owned by Google’s parent company Alphabet. The initiative involves building a technology-driven neighbourhood on the city’s eastern waterfront that includes sensors aimed at helping city planners find efficiencies.

Understandably, it is raising many questions about data collection, privacy, where the information will be stored and how it might be used.

Along with colleagues from the Office of the Information and Privacy Commissioner of Ontario, members of our Business Advisory Directorate met with those behind the project to learn more about it and how they were addressing some of these privacy concerns.

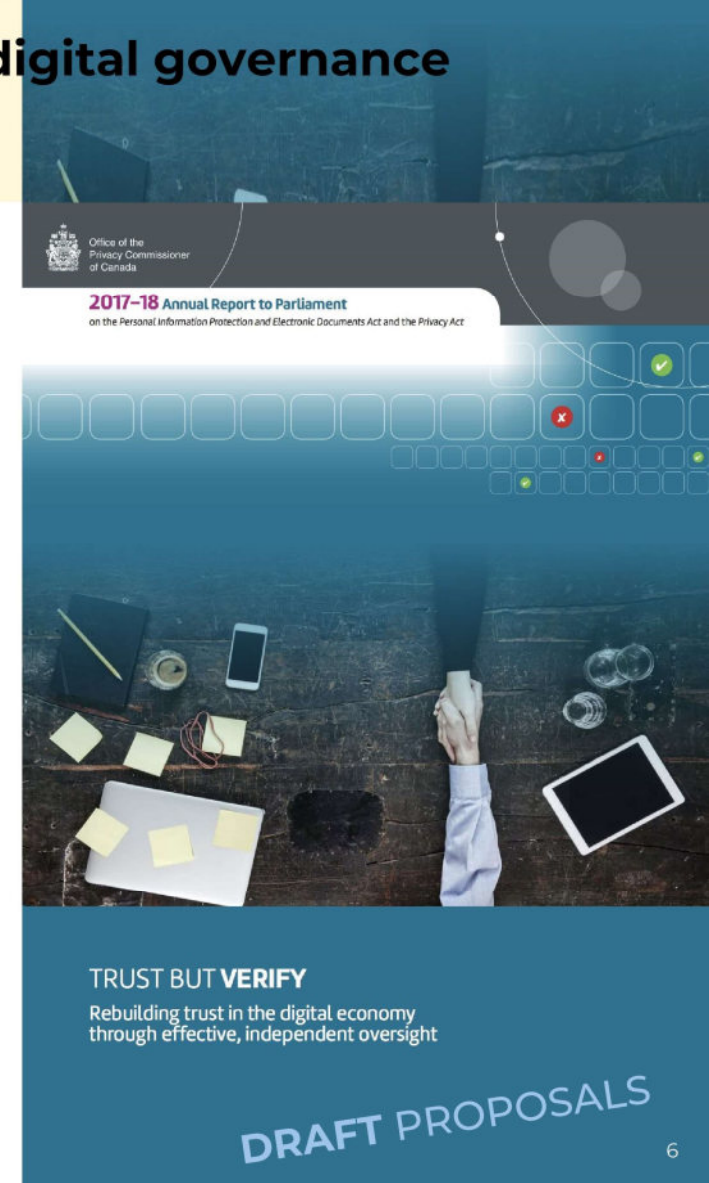
We also reminded officials of key privacy principles, including identifying the purposes for collection, obtaining consent, ensuring individuals could access their own personal information and being accountable for protecting the data and being clear about who owns it.

Overall, we are encouraged by Sidewalk Toronto’s efforts to proactively address privacy and data security in the design and implementation of the initiative.

Given the project is still in its early stages, we are continuing to monitor developments and proactively engage with Sidewalk Toronto officials as it progresses. We also hope the advice we provide will be helpful as other smart city initiatives pop up across the country. ”



Office of the Privacy Commissioner of Canada



A range of concerns and questions surfaced with regard to data and the Quayside project

Confusion about Sidewalk Labs' plans related to data, exacerbated by the time it has taken to work through complicated issues

Concern that data monetization is a key part of Sidewalk Labs' business model

An array of questions:

- **Is Sidewalk Labs**, and this project, intended to be a data source for Google?
- **How will data—particularly data collected in the physical environment**, which some argue should be considered a public asset—be protected and governed?
- **Who will own and control the data** that originates in Quayside's physical environment?
- **How do we address the difficulty of obtaining consent** when collecting data in the physical environment?
- **What are the respective roles of Sidewalk Labs**, other private sector players, and governments when it comes to data and technology?
- **How do we ensure all innovators**, including Sidewalk Labs, will be on equal footing in Quayside?
- **How do we make sure the protections of Canadian law apply to all data** originating in Quayside?

AN ONGOING, COLLABORATIVE PROCESS

This presentation to the Waterfront Toronto Digital Strategy Advisory Panel includes ideas formed in response to what we've heard and learned.

We will use this opportunity and ongoing consultations to further develop these ideas into components of the **Master Innovation and Development Plan, a draft of which will be released in early 2019.**

In the coming months, we will return to the DSAP for discussion of several other topics: intellectual property; charter, governance structure and implementation of the Data Trust; data security, including technological approaches to protecting personal identity and information; and case studies on technologies planned to be implemented by Sidewalk Labs in Quayside. We will also continue conversations on the Responsible Data Use Guidelines and the Responsible Data Impact Assessment.

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Sidewalk Labs determined that Privacy by Design would be embedded into all of our projects, from the beginning

Privacy by Design is an essential component of fundamental privacy protection that served as Sidewalk's first building block as we formulated an approach to Responsible Data Use.

FOUNDATIONAL PRINCIPLES	SIDEWALK LABS' IMPLEMENTATION
Proactive not Reactive <i>Preventative not Remedial</i>	Sidewalk Labs is developing and will utilize cutting edge privacy-enhancing technologies including k-anonymity, edge computing, and other de-identification techniques.
Privacy Embedded into Design	Sidewalk Labs conducts Responsible Data Impact Assessments (RDIAs) to enable consistent and transparent decision making. Every project/product starts with a detailed, nuanced discussion of how it is going to interact with data and protect the rights of individuals.
Privacy as the Default Setting	Sidewalk Labs designs projects/products to add value <i>without</i> collecting personal information if possible. If personal information is required, Sidewalk destroys the data as close to the source as possible; or de-identifies data using world-class techniques.
Full Functionality <i>Positive-Sum, not Zero-Sum</i>	Sidewalk Labs not only embeds privacy into urban development projects, but seeks to develop technologies that benefit the project as well as enhance privacy for the individual.
End-to-End Security <i>Full Lifecycle Protection</i>	Sidewalk Labs engages the best and brightest tech and policy thinkers to inform our processes and practices. Sidewalk utilizes (and develops) state of the art technology and processes to protect personal information from loss, theft, and unauthorized access.
Visibility and Transparency <i>Keep it Open</i>	Sidewalk Labs proactively communicates the reason we are collecting data and the benefits to individuals when we ask for their personal information, in a clear and easy to understand manner.
Respect for User Privacy <i>Keep it User-Centric</i>	Sidewalk Labs is developing ways of providing services which allow user-centric data management and anonymous authorization for access control.

PRIVACY BY DESIGN

In October 2010, regulators at the International Conference of Data Protection Authorities and Privacy Commissioners unanimously passed a resolution recognizing Privacy by Design as an essential component of fundamental privacy protection.

Privacy by Design embeds privacy measures into the design of a project, asking questions such as: *"What is the minimum data you really need to accomplish the goal?"* and *"Do you need personal information, or can you accomplish it with de-identified data?"*

Since then, Privacy by Design has developed into a global presence and has been translated into 40 languages.

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We established and continue to refine Responsible Data Use Guidelines that serve as a foundation for our work

These Responsible Data Use Guidelines guide our work on the development of policies that implement **Privacy by Design** and address data stewardship and access to data.

- **People first.** All projects must apply Canadian values of diversity, inclusion, and privacy as a fundamental human right.
- **Beneficial public purpose.** There must be a clear public purpose and value to the proposed use of Urban Data. A proposal cannot collect data for data's sake.
- **Transparency and clarity of usage.** Projects must always inform individuals of how and why their information is being collected and used, and do so in a way that is proactive, clear, and easy to understand. For Urban Data in public spaces, where meaningful consent cannot be reasonably or reliably achieved, clarity of usage can include efforts such as physical signs notifying people of a data device, or informational websites describing a service or program in greater detail.
- **Meaningful consent.** If a person opts into a service that uses individual identification, that person must have meaningful consent or control over how the information is used. Meaningful consent must go beyond current privacy policies, which are typically long and written in legalese, balancing the substance necessary for legal consent with a simplicity that people can understand.
- **De-identify by default.** Urban Data that includes personal information must be "de-identified" by default — designed not to trace back to any individual. For example, if a traffic counter collects an image of three cars that includes license plates, this data can be de-identified by processing a count of "three cars" and deleting the raw image containing the license plate information. Once de-identified, a data set is considered to no longer contain personal information, as the risk of re-identification is extremely low.
- **Open by default.** All de-identified Urban Data gathered in the public realm will be made open, free, and available in the public domain by default to encourage innovation and reflect the role of Urban Data as a collective good.
- **No ads by default.** By default, companies, organizations, or individuals will not sell Urban Data containing personal information to third parties or use it for advertising purpose.

NEED FOR A ROBUST FRAMEWORK

The pace at which the world is changing has underscored the need — and the opportunity — to create a new framework for responsible data use in Quayside:

- **People are more connected now** than ever before, and the proliferation of data raises real concerns about the impact on personal privacy.
- **Recent high-profile examples of data and privacy breaches** or misuse have further evidenced the potential impact of inadequate privacy protection.

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Sidewalk Labs' proposed approach to digital governance aims to serve as a model for cities around the world

Sidewalk's proposed approach to digital governance in Quayside will demonstrate to Toronto, Canada, and the rest of the world that cities do not need to sacrifice their values of inclusion and privacy for opportunity in the digital age.

Our approach to digital governance is based on the position that:

- **Independent governance** is necessary to protect personal and public interests across areas of data stewardship, privacy, access, and, security—in addition to government enforcement of Canadian and Ontario privacy laws and regulations
- **All parties**, including Sidewalk Labs, collecting and/or using data in the physical environment of Quayside will be held to the same high standards of digital governance
- **Information architecture and services** should be open, enabling and promoting innovation by the many, not the few

Based on these positions, we propose four key components of a framework for digital governance in Quayside:

- **Responsible Data Use (RDU) Guidelines:** Application of the guidelines to all parties in Quayside, not just Sidewalk Labs, to put personal privacy and the public good first, while fostering innovation
- **Civic Data Trust:** An independent entity to control, manage, and make publicly accessible all data that could reasonably be considered a public asset, and a set of rules that would apply to all entities operating in Quayside, including Sidewalk Lab. With the Data Trust, we move away from entities, including Sidewalk Labs, solely owning and controlling these assets.
- **Responsible Data Impact Assessment (RDIA):** Publicly auditable assessment for all public and private digital services required before data is collected and used
- **Open Standards:** Sidewalk will base its technology on open standards, making it easy for others to build and connect new services, offer competitive alternatives, and drive innovation; the Data Trust might consider encouraging or requiring open standards, as well

KEY TAKEAWAYS

No one should own original information collected from Quayside's physical environment—including Sidewalk Labs. Instead, this "Urban Data" should be under the control of an **independent Civic Data Trust**.

To protect privacy, all entities proposing to collect or use Urban Data (including Sidewalk Labs) will have to file a **Responsible Data Impact Assessment** with the Trust that is publicly available and reviewable.

With regard to the use of data, **one set of rules will apply to everyone**. Sidewalk Labs will not receive any special treatment.

Sidewalk Labs will use open standards for any digital infrastructure and services it provides—so anyone can plug in or compete.

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Data Trusts are beginning to be used to govern data in urban contexts

A Civic Data Trust is a model for stewardship and management of data and digital infrastructure that approves and controls the collection and use of data for the benefit of society and individuals.

A Civic Data Trust is particularly useful where data is being collected and used in an urban environment and there are challenges in obtaining meaningful consent.

It is an independent third party that ensures that value from data goes to the people, communities, government, industry, and society from which it was collected, and that data privacy and security are protected. **A Data Review Board**, assembled of diverse members of the community, would monitor and enforce data collection and use.

Other cities, countries, and organizations around the world, including Canada, Barcelona, Estonia, Guernsey Island, and the Copenhagen-Hitachi City Data Exchange, have implemented variations of data trusts.

GLOBAL EXAMPLES OF DATA TRUSTS

Data trusts come in different forms and structures, two of which are:

Barcelona Model: Trusted Intermediary and a Data Commons

Barcelona's CityOS is the city's internal data lake, which is managed by the city's Chief Data Officer. In this model, all of the data is pooled into one central repository, a "commons", and managed by a trusted intermediary. Some datasets are made publicly available under degrees of openness via APIs. Some data is available through Decidim, Barcelona's digital democracy portal, or BCNow, its data dashboard. 'Sentilo' is Barcelona's main sensor platform for environmental or ambient data. Barcelona's projects are funded by the EU Commission's DECODE.



Estonia Model: API Framework Management

Estonia's X-Road data exchange platform is based on an approach where each collector of data stores its own data, which are standardized and accessed through APIs that are managed by the Trust. It is a repeatable framework of terms and conditions with APIs that allow developers and others to access data for testing, product development, and data analytics.



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Proposal: A Civic Data Trust for Quayside

The stewardship, management, and responsibility for data that is collected and used needs to sit with an independent entity whose sole responsibility is to protect the public interest.

The Trust would be an independent body with the mandate of being a steward of data collected in the physical environment, which we call **Urban Data**.

- **Following Responsible Data Use Guidelines, the Trust would approve and control** the collection and use of, manage access to, and, potentially, store Urban Data originating in Quayside. This would be on top of—not in the place of—existing law, regulation, and government enforcement.
- **The Trust would, as a default, make de-identified Urban Data freely and publicly accessible—and not owned by any private entity.** The Trust would consider applications to collect Urban Data that involves personal information (e.g. CCTV cameras) or proposals to collect Urban Data on a proprietary or commercial basis.
- **In performing those functions, the Trust would be guided by a charter** focused on ensuring that Urban Data is collected and used in a way that is beneficial to the community, protects privacy, and spurs innovation and investment.
- **The governance of the Trust** would apply to all entities operating in Quayside.

BENEFITS OF THE CIVIC DATA TRUST

- **Protects** the public interest
- **Curtails** private ownership of data that might reasonably be considered a public asset
- **Ensures** compliance with data protection and privacy laws
- **Upholds** a set of values and processes for the beneficial use of data
- **Organizations** can share their data with other entities across different sectors for mutual benefit
- **Access** to different data sources allows us to understand public problems from many angles
- **Opportunities for new**, innovative, and data-driven solutions to public problems
- **Data collection** and use is made transparent
- **Institutions** can better monitor and evaluate the real-world impacts of policies

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Defining Urban Data

Data collected in the physical environment, particularly in public spaces, will be the domain of the Civic Data Trust.

Urban Data is data collected in a physical space in the city, which includes:

- Public spaces, such as streets, squares, plazas, parks, and open spaces
- Private spaces accessible to the public, such as building lobbies, courtyards, ground-floor markets, and retail stores
- Private spaces not controlled by those who occupy them (e.g. apartment tenants)

Urban Data is different from other data and requires a different approach because:

- It could reasonably be considered a public asset.
- Individual consent is hard to achieve in public or publicly accessible spaces, unlike when individuals provide data in more traditional contexts.
- Existing requirements attached to the collection of Urban Data only apply when it is identifiable, and are often not followed; there are no requirements attached to the collection of Urban Data that is not personal information.
- The community has the right to expect reasonable protection and proper use of data collected in these spaces.
- Such data raises potential community surveillance concerns.
- Urban Data is anchored to geography, unlike data collected through websites and mobile phones, and lends itself to local governance.

HOW OUR FOCUS ON URBAN DATA REFLECTS WHAT WE'VE HEARD

It acknowledges the consent challenge involved with Urban Data and puts in place a mechanism to obtain “community consent” by:

- **Placing** governance and oversight in the hands of an independent entity that represents the community interest
- **Requiring** Privacy by Design
- **Providing** transparency for the community
- **Enlarging** the types of data that deserves protection beyond personal information to data that has the potential to impact people
- **Focusing** on the entire ecosystem in Quayside, enabling responsible data use and across the board privacy protections

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Proposal: Civic Data Trust

The Civic Data Trust will follow a clear and consistent process that gives it oversight of Urban Data gathered in the public realm.

The Civic Data Trust will sit at the centre of a process established to ensure adherence to Responsible Data Use Guidelines

01 RDIA Filing

Before any collection and/or use of Urban Data can occur, a Responsible Data Impact Assessment (RDIA) must be conducted and filed with the Civic Data Trust, as part of an application to commence collection and/or use. (See Section 3 for details)

02 Approval

Many applications to the Civic Data Trust will be able to be self-certified, submitted, and advanced to the registration step. These will generally be applications for the collection of non-identifiable data that will be made freely and publicly available.

Other applications will require substantive review by the Civic Data Trust. These may involve the collection of Urban Data that is identifiable or collection of Urban Data on a more proprietary basis.

03 Registry

Civic Data Trust will approve placement of devices used to collect Urban Data and maintain an online registry of RDIA's and map of device locations, with easily accessible information on what data is being collected, why, how, where, and by whom.

04 Managing Access

By default, non-personal Urban Data will be open and freely accessible to the public.

In cases where Urban Data access is restricted, the Civic Data Trust will manage access to this data.

This could be accomplished in a variety of ways, from having the Trust actually hold the data as a repository to having it set rules that require collectors to publish data in real time.

05 Enforcement

The Civic Data Trust retains the duty to audit all uses and remove digital devices in the event it discovers a violation.

If the Civic Data Trust were to serve as a repository for data, it would have the ability to shut down access by bad actors.

The question of more traditional enforcement authority needs to be considered as part of ongoing consultation.

06 Exemptions

The Civic Data Trust will have the authority to exempt from registration specific uses that, in its judgment, do not have implications for personal privacy by virtue of their limited technical capabilities, such as water-pressure sensors on building pipes or weight sensors in freight elevators. (The Trust will have no power to grant exemptions from existing privacy law.)

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Data Typologies

Depending on issues of place, context, and control, different kinds of Urban Data merit different kinds of oversight.

	Governance Considerations	RDIA & Approval Process	Role of Data Trust
Urban Data Type 1 Collected in the public realm (e.g. pedestrian counters, street-facing cameras)	<ul style="list-style-type: none"> Individuals have little control over collection of Urban Data in these spaces This data could reasonably be considered a public asset and will therefore as a default be made freely and publicly available Private control or collection of any data that is personally identifiable requires substantive review by Data Trust 	<ul style="list-style-type: none"> RDIA and applications to Data Trust are mandatory in all cases. Applications to Data Trust can be self-certified if data is de-identified and freely and publicly available, and applicant does not seek proprietary control Otherwise Data Trust substantively reviews applications Existing requirements, including related to signage, in effect and subject to actual enforcement 	<ul style="list-style-type: none"> Receives applications and RDIA's Reliably and speedily—potentially, automatically—approves accurate, self-certified applications Substantively reviews applications that do not meet the requirements for self-certification Registers placement and maintains a publicly available registry of devices and associated applications and RDIA's Manages public availability and, where applicable, private access to various data streams
Urban Data Type 2 Collected in privately-owned but publicly accessible spaces Different classes within this type depending on the kind of space (e.g. cameras in large building lobby vs. a small store)	<ul style="list-style-type: none"> Individuals have little control over collection of Urban Data in these spaces Depending on the class (see next column), arguments for data as a public asset may be stronger or weaker In any circumstance, the public has an interest in a fulsome understanding of data collection mechanisms 	<ul style="list-style-type: none"> RDIA and applications to Data Trust are mandatory in all cases. Class A (e.g. camera in a large building lobby): Applications to Data Trust go through same process as Urban Data Type 1 Class B (e.g. small café camera): All applications to Data Trust can be self-certified Existing requirements, including related to signage, in effect and subject to actual enforcement 	<ul style="list-style-type: none"> Class A: Same as Urban Data Type 1. Class B: <ul style="list-style-type: none"> Reliably and speedily—potentially, automatically—approves accurate, self-certified applications Registers placement and maintains a publicly available registry of devices and associated applications and RDIA's No substantive review No access management; data not made publicly available by default
Urban Data Type 3 Collected in fully private spaces, generally homes or offices (e.g. thermostats, home security cameras, sensors for building code compliance)	<ul style="list-style-type: none"> Data cannot reasonably be considered a public asset May be necessary to achieve community goals (e.g. temperature monitoring for energy demand management) May have particular privacy implications because devices are in private spaces, and devices in tenant spaces raise consent issues 	<ul style="list-style-type: none"> Devices installed by residents in their private spaces would be entirely exempt from this regime RDIA and applications to Data Trust are mandatory in all cases of devices installed by a landlord or builder Parties can self-certify if they abide by Responsible Data Use Guidelines, provide full disclosure, and allow opt-out Otherwise, Data Trust substantively reviews applications 	<ul style="list-style-type: none"> Reliably and speedily—potentially, automatically—approves accurate, self-certified applications Substantively reviews applications that do not meet the requirements for self-certification Registers placement and maintains a registry of devices and associated applications and RDIA's <ul style="list-style-type: none"> Open question regarding whether this registry should be made publicly available. Audits de-identification and storage.
Traditionally Collected Data Involving Direct Consent (e.g. apps and websites)	<ul style="list-style-type: none"> Issue that extends beyond Quayside Harder to see this data as a public asset Local, geographically-bound governance regime unworkable given the lack of a relationship between this kind of data collection and geography. Sidewalk Labs will hold itself and its partners to high standards given the role it will play in this community 	<ul style="list-style-type: none"> RDIA is not required for third parties Sidewalk Labs commits to filing RDIA's with the Data Trust so that they are publicly transparent 	<ul style="list-style-type: none"> Data Trust not involved, other than to receive and publish Sidewalk Labs RDIA's, as well as any voluntarily filed RDIA's; and to manage any voluntarily contributed data

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All collection and use of Urban Data will require a Responsible Data Impact Assessment

All entities seeking to collect and/or use Urban Data in Quayside will submit Responsible Data Impact Assessments (RDIAs) as part of applications to the Civic Data Trust. The RDIA process will be a core tool for ensuring adherence to the community's Responsible Data Use Guidelines.

The RDIA is an assessment of the prospective use of data involved in an activity, including an analysis of whether the benefits of the activity outweighs the risks involved. It is a vehicle for assessing alignment with principles, legal requirements, and stakeholder expectations.

Responsible Data Impact Assessments are conducted at the design phase, prior to data collection or use.

The RDIA enables parties to make decisions in a consistent, transparent way—and to do so reasonably quickly.

Outcomes

- ✓ Qualitative + Quantitative evaluation
- ✓ Appropriate stakeholders are involved throughout the project
- ✓ Demonstrable accountability
- ✓ Transparent and proactive
- ✓ Ensures Privacy by Design from the design phase, not an afterthought
- ✓ Enables de-identification by default



RESPONSIBLE DATA IMPACT ASSESSMENT

- 1. PURPOSE** of the project/product/service, who is involved and who is accountable
- 2. DATA:** a full understanding of the data, sources, data use and parties involved
- 3. IMPACT** on parties and, in particular, individuals
- 4. ANALYZE** risks and benefits

PRIVACY IMPACT ASSESSMENT

(IF APPLICABLE): If the project/product/service involves the collection or use of Personal Information, a Privacy Impact Assessment is also required.

DECISION: Whether an appropriate balance of benefits and mitigated risks supports the data processing activity

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Responsible Data Impact Assessment Section 1: Purpose

Illustration of what the Assessment form might address.

SAMPLE RESPONSIBLE DATA IMPACT ASSESSMENT

Project Name/Description

Project Objective

What is the ultimate goal of this project?

If a pilot or partnership, what does it seek to demonstrate or achieve?

Does the activity fit within a larger theme of work that is currently being contemplated or undertaken?

Stakeholders

Who is collecting/using the data, and are the other stakeholders involved?

e.g. partners, vendors, customers, government, etc.

Note: This slide has been updated for clarity from the 10/15 version.

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Responsible Data Impact Assessment Section 2: Data

Illustration of what the Assessment form might address.

SAMPLE RESPONSIBLE DATA IMPACT ASSESSMENT

Nature of Data

What specific types of data will be collected, tracked, transferred, used, stored or processed?

If project is at the concept stage, what data do you anticipate collecting or using?

Is the data about people, and if so, is it identifiable to a person or is it de-identified?

If Personal Information is collected, a Privacy Impact Assessment is also required

Is the data or anticipated use of the data sensitive?

Sensitive categories of data and/or use include information that is used to analyze or make decisions based on race, ethnic origin, religion or philosophical belief, gender, sexual orientation, physical or mental health, information or data that could be used to facilitate identity theft. A sensitive use of data may also be where there is a reasonable expectation the use of the data would be embarrassing or be considered sensitive to the individual whose data it is.

Sources of Data

Will data be provided by third parties?

Will data be collected by sensors? What type, and where are the sensors located?

Note: This slide has been updated for clarity from the 10/15 version.

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Responsible Data Impact Assessment Section 3: Impacts

Illustration of what the Assessment form might address.

SAMPLE RESPONSIBLE DATA IMPACT ASSESSMENT

Impact to Individuals and Groups

Identify all the parties impacted by this data activity, and the impacts it will have.

What are the stated and unstated expectations of individuals, groups of individuals, and society for each use of the data?

Benefits

What are the benefits to the individual or groups of individuals?

What are the benefits to society?

What are the benefits to other stakeholders?

Risks (Inherent)

Considering all the factors relating to the data, the likely data use, the identifiability and sensitivity of the data, what are the risks to the individual, groups of individuals, society?

Is it foreseeable that data use might seem surprising, inappropriate or discriminatory or might be considered offensive causing distress or humiliation?

Could the data be used in a way that may result in a group of individuals being treated differently from other groups of individuals?

Is the accuracy and/or quality of the data appropriate for the data activity? Does the relative accuracy of the data have an impact on individuals/groups?

Note: This slide has been updated for clarity from the 10/15 version.

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Responsible Data Impact Assessment Section 4: Analysis

Illustration of what the Assessment form might address.

SAMPLE RESPONSIBLE DATA IMPACT ASSESSMENT

Mitigating Risks

What are the technical and procedural safeguards (mitigating controls) that are being implemented to prevent and mitigate risks described above should they occur (e.g. encryption and delinking of data or increased transparency)?

How have Privacy by Design control standards been applied?

Are you using analytical driven models, insights or algorithmic decision making, that could impact individuals?

Is there a less data intensive way to achieve the goals of the data activity (including potential insights)?

Decision Analysis

Is there a net benefit?

Are there any other factors that should be considered?

Does the data activity comply with all laws, cross-border, policy, contractual, industry or other obligations organizational policies and self-regulatory commitments?

Does the purpose of the activity fit within the values of society?

Have all the stakeholder concerns identified in the Governance of Data section been appropriately addressed?

Is their appropriate Notice, Consent and Control as part of the data collection and use?

After considering all the above factors, is the activity a "go", "no go", or should some aspect of the activity be recalibrated to reduce the residual risk?

Note: This slide has been updated for clarity from the 10/15 version.

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Hypothetical Case Study 01: Traffic Management System

Traffic management system in Quayside by Sidewalk Labs

Future hypothetical: Sidewalk Labs is working to implement a plan approved as part of the Master Innovation and Development Plan for a traffic management system in Quayside, which involves pedestrian counters and adaptive traffic lights.

APPLICATION 1

Pedestrian Counters

Sidewalk Labs submits an application and RDIA for pedestrian counters to the Data Trust. Because the data is non-identifiable and will be made freely and publicly available, it can be self-certified.

- **The Data Trust publishes the RDIA** and adds the locations where the pedestrian counters will be installed to its public registry.
- **The pedestrian counters are installed**, and the data from the counters is made freely and publicly available, and not owned by Sidewalk Labs.
- **Pedestrian count data is used** as part of the traffic management system.
- **The data is also accessed by a community group** to make the case for the need for a street redesign.

APPLICATION 2

Adaptive Traffic Lights

Sidewalk Labs submits an application and RDIA to deploy devices developed by a partner that use computer vision to compute de-identified paths and speeds of cars, cyclists, and pedestrians.

- **Depending on the policies of the Data Trust**, this application may:
 - (1) be allowed to self-certify because the data is de-identified in real time; or
 - (2) be subject to substantive review and, if real-time de-identification is confirmed, approved.
- **The Data Trust publishes the RDIA** and adds the locations where the adaptive traffic lights will be installed to its public registry.
- **The adaptive traffic lights are installed**, and the de-identified data feeds are made freely and publicly available, not owned by Sidewalk Labs.
- **That data is used** as part of the traffic management system.
- **The data is also accessed by another company** that believes it can process this data more effectively and produce better results.

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Hypothetical Case Study 02: Parks Improvement Study

Parks improvement study by a new third-party startup

Future hypothetical: Startup A is working on a project to make recommendations about improving environmental conditions and usage patterns at several parks throughout the City, including one in Quayside. This hypothetical scenario involves both air quality sensors and video cameras in the park.

APPLICATION 1

Air Quality Sensors

Startup A submits an application and RDIA for air quality sensors to the Data Trust. Though the data is non-identifiable, Startup A will incur a substantial financial burden in installing the sensors and seeks to recoup its investment by selling the data to companies trying to reduce their negative environmental impacts. Startup A asserts that it will not move forward with this project if the data is made freely and publicly available from the start.

- **This application may not be self-certified** because Startup A seeks to maintain proprietary control of the data.
- **The Data Trust reviews the application, judges it to provide a net benefit to the public, and approves on the condition** that proceeds from the sale of the data will be shared between Startup A, the City, and the Data Trust.
- **The Data Trust publishes the RDIA** and adds the locations where the air quality sensors will be installed to its public registry.
- **The air quality sensors are easily installed** using open standards-based mounts, and access to the data is limited to Startup A.
- **After a time, the data is made freely and publicly available.** It is then accessed by a weather app providing air quality alerts that decides to start funding the ongoing operations and maintenance of the technology.

APPLICATION 2

Video Cameras

Startup A submits an application and RDIA for video cameras to capture usage patterns at the park in Quayside.

- **This application may not be self-certified** because it involves the collection of personal information.
- **The Data Trust reviews the application and approves on the condition** that the video footage will be used only for the purposes of the park improvement project, and will be destroyed on a rolling basis after seven days. Startup A must also, in accordance with existing requirements, prominently post signage around the cameras.
- **The Data Trust publishes the RDIA** and adds the locations of the cameras to its public registry.
- **The cameras are easily installed using open standards-based mounts,** and the footage is reviewed and then destroyed on a rolling basis, meeting the seven-day requirement.

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Quality of life comes first—no tech for tech's sake

This neighbourhood is not about technology for technology's sake.

We are focused on technological and urban design solutions to real problems.

RECAP

From the start of this project, we imagined a set of new experiences that could be possible in a new type of city.

Streets that prioritized safety, pedestrians, and cyclists, because they are designed to anticipate shared, self-driving vehicles that wouldn't need much parking and could communicate with each other and with traffic lights. This would mean significant amounts of street space given back to pedestrians and cyclists, less congestion, and far fewer accidents.

Buildings with a far more diverse and vibrant mix of uses as a result of "outcome-based code," which doesn't require uniformity of use but rather ensures structural integrity, air quality, and noise levels through conditions-sensing technology.

Significantly reduced carbon emissions achieved by technology that monitors and manages energy demand across the neighbourhood.

We have identified a set of innovations that could help improve urban life in Quayside. A non-exhaustive list:

Mobility	Traffic management technology and adaptive traffic lights to reduce congestion and increase safety.
Public Realm	Structural innovations to create active weather mitigation tools that can be deployed based on real-time hyperlocal measurements of rain and wind.
Sustainability	Energy demand management technology, thermal heating and cooling, and other innovations to push toward climate positivity.
Community	Engagement tools to provide informed input into neighbourhood decision making.
Buildings	Construction innovation to enable a mix of affordability levels and real-time monitoring of building conditions to enable a mix of uses.
Access + Equity	Truly ubiquitous connectivity and focused efforts to improve digital literacy to bridge the digital divide.
Accessibility	Tools to make the community more accessible, such as spoken information about the physical environment and sensors to detect snow in curb cuts.

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Sidewalk Labs will build solutions—but not exclusively

We have identified solutions we believe will help make this a great place for people to live, and we are committed to bringing those to life. But we will also encourage others to create better solutions—because we will never have all the best ideas.

AN EXAMPLE: ENERGY USE

One key approach to creating a climate-positive neighbourhood is to measure how energy is used and optimize it using machine learning. Sidewalk Labs will work with partners to develop technology to measure aggregated and de-identified energy use by systems including heating and cooling, apply algorithms to propose optimizations, and build control systems to implement those optimizations. Aggregated and de-identified energy use measurements would be considered Urban Data and will be made freely and publicly available by the Civic Data Trust in order to stimulate research and development of even better techniques by others.

To accomplish this, Sidewalk Labs will:

- Identify and deploy **devices from the market that measure energy use and environmental conditions**
- With local partners, develop and deploy a **ubiquitous network** to allow those measurements to be communicated in real time
- Design **standardized mounts** for light poles and buildings to reduce the cost of deploying network access points and devices
- Build a **digital map** of the neighbourhood—with an unprecedented level of accuracy
- Create an **open data hub** that will provide real-time access to data in standard formats through well-documented interfaces in order to make measurement data that goes to the Data Trust easily accessible

This will not be done to the exclusion of others. To the contrary, this place will be more successful when alternatives are encouraged:

- When better devices are developed, it should be **easy to replace Sidewalk Labs-developed technology**
- We expect and encourage **many network providers** to provide service in this neighbourhood
- Better approaches to deploying network access points and devices will be able to supplant ours
- The digital map will be created by broad collaboration and be made freely and publicly available to all by a Civic Data Trust
- There will likely be several data hubs, making it easy to understand and work with publicly available data

The same open approach will apply to solutions for **mobility, public realm, community, buildings, accessibility**, etc.

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Enabling innovation by a wide range of players

Designing technology to support our quality of life goals has revealed patterns: common pieces of infrastructure and specific services that are required to bootstrap digital innovation in the neighbourhood for Sidewalk Labs and others.

WHAT SIDEWALK LABS WILL BUILD

Taking the same approach to designing solutions for **sustainability, flexible public realm, community, buildings, accessibility**, etc. leads us to believe that we should create a new standard for digital infrastructure and services in cities, including:

- Ubiquitous connectivity
- Standardized mounts and power
- A high-resolution 3D map of the neighbourhood
- An open data hub which will provide real-time access to data in standard formats through well-documented interfaces

The fact that Sidewalk Labs is committing to build these components does not preclude others from deploying technology that improves on, competes with, or replaces them.

WHAT OTHERS WILL BUILD

The lion's share of technologies that make Quayside unique will be developed and deployed by an ecosystem of many innovators:

- Just as in the World Wide Web, multiple providers can coexist, and technological solutions can integrate, as long as they agree on standards
- Others should be welcome to provide better, different, cheaper infrastructure and services
- We hope that this will enable a wide range of Canadian startups to innovate more quickly, and use Quayside as a springboard to success
- All systems collecting or using Urban Data —whether created by Sidewalk or third parties—will be subject to Civic Data Trust governance

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Open architecture makes this possible

Sidewalk Labs will not create a centralized, monolithic platform. Rather, we will work with partners to create an open architecture—one that enables and encourages collaboration and experimentation.

In order for anyone to innovate, and have the opportunity to replace components that Sidewalk Labs and others build, there must be no proprietary lock-in. This requires:

- **Well-documented, standardized formats and interfaces**

- Any party will have the information required to build a replacement component for any urban system, or to create an entirely new application.

- **Easy access to public-domain data**

- Standards are worthless if it's not possible to get access to data. For example, devising a new optimization algorithm for traffic requires training and test data, so traffic volume data should be made broadly available.

- **Data portability**

- An existing system will likely have access to historical data provided to it by neighbourhood systems. This data should be able to be exported from the existing system so that new systems are not at a disadvantage for training and bootstrapping.
- This is similar to email systems that allow the user to export all of their historical email messages so that they can move to a new provider, eliminating lock-in.

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Urban Digital Architecture Sketch

Each function within the urban technology stack will be served by Sidewalk Labs and also by others. Interchangeability requires standardized interfaces and formats.



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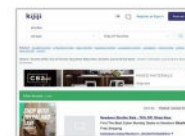
Example of an Open System: The World Wide Web

If urban technology used open standards in the same way that the World Wide Web does, innovation would explode, and the risk of vendor lock-in would be dramatically reduced.

You can use any browser...



to visit any web page...



served by any web server.



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Example: World Wide Web Standards

Standards enable innovation and competition.

Formatting

Hypertext Markup Language (HTML),
Cascading Style Sheets (CSS)

Images

Portable Network Graphics (PNG),
Joint Photographic Experts Group (JPG)

Interactivity

JavaScript

Communication

HyperText Transfer Protocol (HTTP)

Security

Secure Sockets Layer (SSL)

Anyone can build a web browser

as long as it implements standards like HTML, CSS, JavaScript, HTML and SSL. The most popular browsers are free, and their cores are open source.

Likewise, anyone can build a web server as long as they implement HTTP, SSL, etc. The most popular servers are free and open source.

With partners, we hope to significantly advance a competitive, innovative urban technology ecosystem by using, developing, and promulgating standards.



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Ensuring the protection of data in accordance with Canadian Law does not require data localization

Canada and other places with leading data protection regimes have recognized the ineffectiveness of one-size-fits-all and/or technology-specific requirements, and the importance of context—that the best way to achieve data protection in any given context depends on the types of data, entities, and jurisdictions involved.

With specific exceptions, data localization is not presently a requirement of Canadian or Ontario law. In addition, data localization:

- Is not necessary to ensure that data that originates in Canada is handled in accordance with Canadian law with regard to privacy protections, which can be achieved through contractual and technical mechanisms
- Presents technical and operational obstacles, including access to redundant storage locations to ensure security and availability
- Increases costs, which may raise barriers to entry for less mature companies
- Runs counter to the way information travels across the internet, without regard to geographic boundaries

For these reasons, Sidewalk Labs does not believe that it is sensible to impose a data localization requirement for innovators in Quayside.

Sidewalk agrees with the position of the Business Council of Canada, as expressed in its September 2018 Report on the Data Economy

- “ *Individuals and businesses should be free to transfer data across provincial and international borders, provided appropriate safeguards are in place.* ”
- “ *There should be a general presumption against local data storage and processing requirements. Governments may need to exercise sovereignty over data flows in rare cases when it is necessary to protect the public interest.* ”

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In summary: our proposed approach

Robust governance, an open system, and protection of data.

Establishment of a Data Trust: Sidewalk proposes the establishment of an independent Civic Data Trust, which would approve and control the collection of, manage access to, and potentially store data collected in the physical environment, known as “Urban Data.”

Data Trust to Make Urban Data Freely and Publicly Available: As a default, the Data Trust would make de-identified Urban Data freely and publicly accessible, eliminating the concept of data ownership. Specific approval by the Data Trust would be required for entities to collect Urban Data with personally identifying information (such as CCTV cameras) or Urban Data collected on a more proprietary basis.

Responsible Data Impact Assessments: Responsible Data Impact Assessments (RDIAs) would be used to ensure Privacy By Design and adherence to Responsible Data Use Guidelines in every part of the project and all collection of Urban Data, whether by Sidewalk or other parties. RDIAs would be filed with the Data Trust before the collection and/or use of any Urban Data within the project geography by any entity.

RDIAs and Registry of Devices Maintained by the Data Trust: RDIAs, along with a registry of devices collecting Urban Data, would be maintained and made publicly available by the Data Trust.

An Ecosystem of Technologies by Many Innovators: Sidewalk anticipates providing specific pieces of critical digital infrastructure and specific, use-case-driven technologies to achieve quality-of-life goals. All technologies provided by Sidewalk will be based on open standards, making it easy for the lion’s share of technology in the neighbourhood to be provided by others.

Data Always Handled in Accordance with Canadian Law: To ensure that Canadian law and values are applied to data, Sidewalk Labs will use a toolbox of mechanisms, including contractual protections, technical protections, and edge computing, where data is processed on-device and not transferred to a central server. Sidewalk does not propose a data localization requirement specific to Quayside.

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Reviewing what we heard

How our thinking addresses key questions.

Confusion about Sidewalk Labs' plans related to data, exacerbated by the time it's taken to work through complicated issues

We hope that these proposals have provided some clarity on how we are approaching a range of critical issues—all subject to your feedback and ongoing consultation.

Concern that data monetization is a key part of Sidewalk Labs' business model

It is not, and the governance of the Civic Data Trust is intended to ensure that no private entity can gain unfettered access to and ownership of data collected in Quayside.

Is Sidewalk Labs, and this project, intended to be a data source for Google?	No (see p. 4)
How will data—particularly data collected in the physical environment, which some argue should be considered a public asset—be protected and governed?	By an Independent Civic Data Trust, using Responsible Data Impact Assessments to promote the beneficial use of data and transparency (see p. 13)
Who will own and control the data that originates in Quayside's physical environment?	The concept of ownership will not apply to Urban Data in most cases, with the Data Trust making de-identified data freely and publicly available as a default matter and/or controlling access. Data will be under the control of another entity only in select cases, which will be determined once an RDIA has been submitted and the Trust has examined the public benefits involved. (see p. 13)
How do we address the difficulty of obtaining consent when collecting data in the physical environment?	By implementing a robust form of community consent represented by the Civic Data Trust (see p. 14)
What are the respective roles of Sidewalk Labs, other private sector players, and governments, when it comes to data and technology?	<ul style="list-style-type: none"> • Sidewalk provides some critical infrastructure and core services (see pp. 27-29) • Other players provide the lion's share of technology (see pp. 29-33) • Governments enforce privacy laws (see pp. 10, 13) • Data governance provided independently by the Data Trust, which may involve government in its establishment or ongoing work (see p. 13)
How do we ensure all innovators, including Sidewalk Labs, will be on equal footing in Quayside?	Through open standards; a limited, catalyzing role for Sidewalk Labs; and a governance model that applies equally to all players (see p. 30)
How do we make sure the protections of Canadian law apply to all data originating in Quayside?	We can ensure that data will always be handled in accordance with the laws of Canada without a data localization requirement (see p. 35)

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Some of our open questions

In addition to seeking general feedback on this presentation from the DSAP, a number of specific questions are on our minds.

1. **What needs to be added** to the Responsible Data Use Guidelines to avoid vendor lock-in?
Are there other additions or edits to consider for the Guidelines?
2. **How should a Civic Data Trust** with the broad authority we propose be established? Can it be established by contract?
Can it be achieved through standards imposed by Waterfront Toronto? Or does it require legislation?
3. **What should the structure**, staffing, and, if pertinent, board composition of the Civic Data Trust look like?
4. **Should the Civic Data Trust** act as a repository for data? Is this necessary, and what are the upsides and challenges attendant to that responsibility?
5. **What will be involved** in getting the Civic Data Trust up and running, and how will this be funded? How will ongoing operations of the Civic Data Trust be funded? Should the Civic Data Trust have the authority to charge for access to certain kinds of data? How would that relate to the goal of making data freely and publicly accessible?
6. **Should the Trust** carry liability related to the improper collection or use of data under its jurisdiction?
7. **Are the typologies of Urban Data** well-crafted and have we drawn the lines between self-certification and substantive review in the right places?
8. **What are the mechanisms** and who will be responsible for enforcement?
9. **How can we best encourage** use of open standards?

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**BRIEFING NOTE TO THE DEPUTY MINISTER****Waterfront Toronto Update**

(For Information)

ISSUE

- You will have a call on July 12 with Scott Thompson, the new Deputy Minister of the Ontario Ministry of Transportation and Ministry of Infrastructure. The call provides an opportunity to outline the federal stance on the Waterfront file and discuss the agenda for the upcoming Inter-Governmental Steering Committee (IGSC) meeting in Toronto on July 20.
- Issues that may be raised on the call include next steps for the CEO of Waterfront, progress on the Quayside and Port Lands projects; and the go forward approach to governance of the Waterfront file between the three levels of government.

HIGHLIGHTS/KEY CONSIDERATIONS

- This call will take place on the backdrop of Will Fleissig's resignation on July 4. Waterfront's Board has put an interim leadership team in place under acting CEO Michael Nobrega as it launches the search for a new CEO.
- As Waterfront's Board deals with next steps on CEO succession-planning, it will be important for the organization to keep momentum as it progresses on Quayside, and implements the Port Lands Flood Protection project.
- On Quayside, Waterfront announced on June 26 that timelines for completing the Master Innovation and Development Agreement would be pushed back to spring 2019.
- You will want to suggest that a pre-meeting take place ahead of the July 20 IGSC, without Waterfront Toronto, between yourself, Mr. Thompson, and interim City Manager Giuliana Carbone to set the stage for items that will be considered. You will also want to emphasize the need for such pre- or in camera meetings whenever the IGSC is convened.
- The PDA is the key item intended for discussion on July 20. A draft has been provided and governments will be briefed on July 13. Our interest is to ensure it aligns with Waterfront's founding legislation and any relevant agreements Waterfront has with the federal government, such as for Port Lands. The PDA also references the key role of the IGSC on government relations for Quayside.

-



SECRET

- The IGSC and its associated bodies is key to coordinating the role of governments on the Waterfront file. July 20 should also be used as an opportunity to review this structure and solidify any needed adjustments – impressing the need to get this right.

KEY BACKGROUND

Next steps for the CEO of Waterfront

- On July 4 the Waterfront Toronto Board of Directors announced the resignation of CEO Will Fleissig. Ontario-appointed Board member Michael Nobrega will step down from Board duties to act as CEO while the Board undertakes the search for a permanent replacement. Communications materials on Mr. Fleissig's resignation are included under **Annex A**.

Quayside Update

- On June 26 Waterfront and Sidewalk Toronto issued a joint newsletter pushing back timelines for finalizing the Master Innovation and Development Plan (MIDP) to spring 2019. A copy of the newsletter is included in **Annex B**.
- Waterfront and Sidewalk Toronto continue to work towards completing the PDA. A draft has been circulated to governments, and Waterfront will brief INFC on July 13. The Waterfront Board will meet on July 31 to consider and approve the PDA, which is destined to be a public document. A summary of key elements of the draft PDA is included under **Annex C**.

July 16th MoU workshop

- IPI and POB staff will meet with City of Toronto and Ontario personnel on July 16 to workshop issues around Waterfront governance.

[REDACTED] The proposed agenda for the meeting is included under **Annex D**. To prepare for the meeting, IPI has drafted a one-pager outlining key elements in Waterfront's structure, included under **Annex E**.

[REDACTED]

SECRET

[REDACTED] an important aspect to resolve is how Waterfront Toronto's involvement in Quayside-focused IGSC meetings is to be managed. Waterfront originally acted as the secretariat for the QESC – as most supporting documents come from them. It will be important to maintain a communication channel where Quayside matters can be discussed strictly between the three levels of government.

Port Lands Flood Remediation

- The Contribution Agreement (CA) for the Port Lands flood protection project came into effect on May 1, 2018. INFC is establishing a bilateral oversight committee with Waterfront that will serve to monitor Waterfront's compliance with the CA.
- Waterfront has satisfied federal duty to consult requirements to date and is engaged with First Nations communities on a means to formalize their involvement in public realm and other project aspects.
- Work on the PLFP Project is progressing on schedule and Waterfront has commenced site mobilization.
- Cherry Street lake filling is advancing, with barges currently delivering core stone fill onsite.

[REDACTED]

A "Data Trust" refers to a mutual organisation formed to manage data on its members' behalf. Participants would pool their data forming a trust, stipulating conditions under which data could be shared. The trust would retain a duty of care without conflicting goals such as making a profit or furthering a research career. Waterfront and Sidewalk are considering whether such an approach may be appropriate in the context of Quayside.


NEXT STEPS

- Your call with Mr. Thompson will scope these issues in advance of the July 20 IGSC. Key points to register are attached. We will work with contacts in Ontario, the City and Waterfront to finalize the agenda for the July 20 meeting and provide key materials for consideration at the discussion.

SECRET**POINTS TO REGISTER – WATERFRONT TORONTO ISSUES*****Overall message and federal role***

- I look forward to working with you as INFC takes on the IGSC Chair for this fiscal year. Two big projects we have before us are the Port Lands Flood Protection, and Waterfront's partnership with Sidewalk Labs on Quayside.
- We welcome being a funding partner on Portlands, and that implies a defined federal role with limitations.
- The federal government is not an ongoing funding partner on Waterfront Toronto itself, and deals with the revitalization initiative project by project, as it has done historically.
- The Quayside project is of interest to federal government in terms of what it means for Canada – the opportunity to pilot innovation, and collaborate in a unique entity with 3 orders of government
- Importantly, we need to ensure a strong bond between Waterfront's board and management, and governments need to respect and support good governance.
- Similarly, Waterfront needs to be supported in dealing with its funding and planning partners, as some of these may pressure good governance and try to deal with governments directly.
- INFC is prepared to help and support other governments and navigate the policy issues coming up of national significance, while being mindful of the need to think in terms of national frameworks at the federal level.

The July 20th IGSC meeting

- The Partnership Development Agreement (PDA) is coming up for our consideration on July 20. The PDA's expected release in the coming weeks will signal the start of an intense period for Waterfront, as it turns completing the Master Innovation and development Plan.
- 
- We also want to make sure we have the right coordinating structures in place to ensure issues are dealt with by the right groups and Waterfront's Board and Management receives appropriate feedback. The IGSC plays a key role here. We should review its structure and solidify any adjustments where needed.
- Along with the City, we will need to touch base just between governments ahead of July 20 to make sure we are comfortable with the agenda and to set the stage for the discussion.

SECRET

- I would welcome your views, and hope we can discuss further when we meet in Toronto on July 20

Quayside-specific points

- I noted the announcement of the revised timeline for completing the Mater Innovation and Development Plan (MIDP) which is now targeting spring 2019.
- Waterfront has now circulated the draft PDA and is briefing governments in the lead-up to July 20. Our interest from the federal perspective is to ensure it aligns with Waterfront's founding legislation and the authorities it accords to Waterfront Toronto as a corporation.
- As a roadmap for completing the MIDP, the PDA has a number of principles around IP, data governance and privacy, public communications and government relations – which are intended to address public concerns in these areas. On interaction with governments the PDA references the key role of the IGSC.

Governance-specific points

- [REDACTED]
- I am open to this effort. As you may know Infrastructure Canada engages on high-level strategic issues and acts as a bridge back to the federal family, but does not get involved on issues that are otherwise better left with Waterfront Toronto's management and Board – such as oversight of operational matters.
- [REDACTED]

Quayside Executive Steering Committee – specific points

- The IGSC has typically met quarterly to consider the full range of issues with respect to the Waterfront Toronto Revitalization Initiative. More regular issue specific discussions have tended to take place at a project management or "Executive Steering Committee" level. This was our initial approach on Quayside
- [REDACTED]
- [REDACTED] As Waterfront was acting as the secretariat and rapporteur for Quayside ESC discussions, we will need to think of a way in which we can discuss Quayside matters strictly between the three governments when required.

Port Lands-specific points

- I understand that work on the Port Lands flood protection project is progressing and Waterfront is planning to start site mobilization this month.
- I would welcome any views you would like to share on the project from your perspective.

Next Steps for the CEO of Waterfront

- We thank Will Fleissig for his service and wish him well in his future endeavours.
- We welcome Michael Nobrega in his role as acting CEO, while he and the rest of the interim leadership team search for a permanent replacement.

Orientation of Ontario's New Government toward the Waterfront

- We would welcome any insights you could share on broad policy directions or government initiatives that may be relevant to Waterfront.

Glenn Campbell
Assistant Deputy Minister
Investment, Partnerships and Innovation

Date

Attachments (6):

Annex A – Media materials on Waterfront Toronto's CEO's resignation
Annex B – Master Innovation and Development Plan Newsletter and Related Media
Annex C – Draft summary of key elements of Partnership Development Agreement
Annex D – Proposed Agenda for July 16 meeting with City of Toronto and Ontario
Annex E – One-pager on waterfront governance – DRAFT
Annex F – Terms of Reference for the IGSC
Annex G – Proposed Principles for Data Trust Pilot, and INFC response



Media Statement – Issued on behalf of Helen Burstyn, C.M., Chair of the Waterfront Toronto Board

TORONTO, July 4, 2018 – Today, Will Fleissig has advised the Board that he is stepping down as CEO.

Waterfront Toronto has been fortunate to have a leader with such an innovative vision of what Toronto's waterfront could and should be, and we wish him the very best as he takes on new challenges in the future.

Waterfront Toronto is now turning its focus to implementing the vision our team has worked towards, and we're more excited than ever about the future.

Mr. Fleissig noted that he is very proud of the accomplishments of Waterfront Toronto and the support he has received from the team. He knows that the next stage of the waterfront revitalization is in very good hands.

We are privileged to have a skilled and experienced board, staff and executive to draw on during this time of transition and opportunity. There will be a three-person interim leadership team in place, including Michael Nobrega as Acting CEO, Meg Davis, our Chief Development Officer, and myself in my capacity as Chair, while we search for a new CEO.

Michael Nobrega is a former President and CEO of OMERS, current Chair of the Ontario Centres of Excellence, and sits on Waterfront Toronto's Board of Directors. Michael will be taking a leave from the Board for the duration of his tenure on the interim leadership team. Meg Davis is Waterfront Toronto's Chief Development Officer, and has been with the organization for 11 years. She has extensive experience as a real estate and commercial transactions expert, notably with KPMG. The interim leadership team will not be accepting any additional compensation for these roles.

We look forward to the next chapter in the transformation of Toronto's waterfront.

-30-

Media Contact

Cameron MacKay
VP of Strategic Communications & Engagement
Waterfront Toronto
Telephone: 416-214-1344 x 314
E-mail: cmackay@waterfronttoronto.ca

From: [Tippins, Shawn \(INFC\)](#)
To: [Tippins, Shawn \(INFC\)](#)
Subject: Annwx A-1 FW: An Update on our public engagement and the project timeline
Date: July 6, 2018 3:20:00 PM

Annex A-1

From: Edward Chalupka [mailto:██████████@waterfrontoronto.ca]
Sent: June 26, 2018 10:24 AM
To: Campbell, Glenn (INFC) <glenn.campbell@canada.ca>; Tippins, Shawn (INFC) <shawn.tippins@canada.ca>
Cc: Carol Webb <CWebb@waterfrontoronto.ca>
Subject: FW: An Update on our public engagement and the project timeline

Glenn, Shawn,

Further to our discussions at the last Quayside Executive Steering Committee meeting (now the IGSC Quayside working group) I wanted to share with you (below) a newsletter from Will and Dan Doctoroff that will be going out later today (likely around noon). The newsletter outlines an extended planning process for the MIDP, including more opportunities for the community and stakeholders to provide feedback.

Please circulate as necessary within your department (and with your MO) with the caveat that the newsletter be kept confidential until its release.

Please don't hesitate to contact me if you have any questions.

Thanks in advance,

Ed





When we launched Sidewalk Toronto, we had one mission in mind: to address the toughest challenges facing cities — and meaningfully improve quality of life — through the combination of forward-thinking urban design and innovative technology. It started with a [vision](#) for how to make cities more sustainable, livable, and inclusive — and because we believe city-building needs many hands and many perspectives, we launched a comprehensive [public engagement process](#) to bring that vision to life.

Over the past six months, we have met with and listened to thousands of people. We have hosted town halls, roundtables, and public talks. We have convened advisory groups, spoken to neighbourhood associations, and on June 16, Sidewalk Labs [opened “307,”](#) its Toronto office and workshop, where Torontonians can continue to learn about, provide feedback on, and experiment

with different elements of the vision. You can see summaries of all this work [on our website](#).

From the start, we have recognized that we are taking a different approach. Rather than bringing forward a comprehensive proposal and site plan, we are exploring virtually every aspect of how the city works and how Toronto residents think it could work better. Over the past six months, you have provided indispensable insights and perspectives that have shaped our thinking as we begin to formulate our Master Innovation and Development Plan (or MIDP).

You have also told us to take the time to get this right — and we have heard you. That is why we are extending the planning process so that we have the time to work together to create something that we can all be proud of.

Here is the new timeline:

- The roundtable meeting scheduled for early July will now be held on August 14 and 15 at the 307 Lake Shore Blvd. East workspace. We will cover the same information on both dates: initial thinking for the public realm, streets, and buildings that is coming into focus. We think two sessions will provide good opportunities to discuss and consider this work.
- In November, we will share a comprehensive description of the component parts of the Master Innovation and Development Plan, including proposed site plans, and we will have our fourth roundtable soon after.
- Early in 2019, we plan to release a draft Master Innovation and Development Plan. It will be a comprehensive document, but still a work-in-progress. Following the release of the draft plan, we will host a fifth roundtable to solicit feedback on the draft.
- Informed by this additional feedback, we plan to publish the proposed MIDP in finished form in spring 2019 for consideration by the Waterfront Toronto Board of Directors and by the Alphabet board. We understand that the City of Toronto will also solicit public feedback after receiving the MIDP to inform its considerations in advance of necessary city approvals.

We are so grateful for the great interest and enthusiasm Torontonians have shown for this project to date. You have given us your time, your ideas, and

your feedback. We want to keep this momentum going as we put together a groundbreaking plan, and we hope you will continue to join us.

To learn more about Sidewalk Toronto, the 307 workspace, our participation plan and to view past presentations, please visit www.sidewalktoronto.ca. See you on the waterfront!

— Will Fleissig, President and CEO, Waterfront Toronto
— Dan Doctoroff, Chairman and CEO, Sidewalk Labs

There are many more ways to join!

There are dozens of opportunities throughout 2018 to join the Sidewalk Toronto conversation. You can read our full [public engagement plan here](#) or visit the Sidewalk Toronto [website](#) for more information. We need your help to imagine the neighbourhood of the future.



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**Tri-Government Working Group Without Prejudice Workshop
Toronto Waterfront Revitalization Initiative
City Hall, Boardroom TBD
June/July
9:00am to 3:00pm**

Agenda

SESSION #1 – GOVERNMENT PARTNERS @ 9:00am

1. Introductions and Confirm Agenda – (9:00 to 9:05)
2. Confirm Purpose, Objectives and Scope – (9:05 to 9:30)
 - Framework for government coordination
 - Timing for government needs
 - Reporting approvals
 - Alignment with TWRC Act
 - Other
3. Preliminary Table of Contents – (9:30 to 10:00)

BREAK – (10:00 to 10:15)

4. Progress on Key Components – (10:15 to 11:00)
 - Relationship between WT Board and Governments
 - Process for mandate review
 - Reports to government and required approvals
 - Process for borrowing authority extension
 - Other

5. Work Plan / Next Steps Schedule – (11:00 to 11:20)

6. Other Business – (11:20 to 11:45)

BREAK – (11:45 to 12:00)

SESSION #2 – GOVERNMENT PARTNERS with WATERFRONT TORONTO @ 12:00pm

7. Introductions – (12:00 to 12:15)

8. Review of Morning Discussion – (12:15 to 12:30)

- Goals, objectives and scope
- Table of contents
- Progress on key components
- Other business

9. WT Comments – (12:30 to 1:30)

BREAK – (1:30 to 1:45)

SESSION #3 – GOVERNMENT PARTNERS @ 1:45 pm

TBD – based on progress of Sessions 1 and 2

MEETING IS ADJORNED @ 3:00pm

SESSION #4 (TBD) – TOUR / END from 3 to 5pm

Governance Structure of the Waterfront Toronto Revitalization Initiative (WTRI)

The Intergovernmental Steering Committee will be the chief mechanism for oversight of government contribution agreements. The mandate of the IGSC was updated in September 2017. The revised mandate is attached.

The parties will continue to maintain Waterfront Secretariats. Staff of these secretariats will meet regularly as the Tri-government Working Group, in support of the IGSC.

Project Management

Executive Steering Committees (ESCs) will be established for all significant projects. Currently there is an ESC for the Port Lands, Waterfront Transit and Quayside (Draft terms of Reference Attached).

The ESC will be the main approval and decision-making body within the framework of the approved Contribution Agreements. With Respect to the Port Lands Flood Protection and enabling Infrastructure Contribution Agreement, a bilateral INFC-WT Oversight Committee has been established to oversee adherence of INFC's funding conditions under the agreement.

The IGSC serves as an executive level focal point for intergovernmental management and coordination on matters related to the TWRI. Specifically, the IGSC:

- Leads the identification and discussion of general and project-specific governance issues related to waterfront revitalization and Waterfront Toronto, when necessary;
- Coordinates activities between the three levels of government and Waterfront Toronto;
- Serves as a forum for information exchange related to the implementation of tri-government funded projects;
- Undertakes joint planning exercises to ensure that proposed projects are in keeping with the goals and objectives and mandate of the TWRI and Waterfront Toronto;
- Manages contribution agreements and related activities;

Terms of Reference

Intergovernmental Steering Committee (IGSC) Toronto Waterfront Revitalization Initiative

Background:

In October 2000, the Government of Canada, the Province of Ontario and the City of Toronto each committed \$500 million to the Toronto Waterfront Revitalization Initiative (TWRI). Given the need for the three governments to work together to implement the TWRI, the government partners set up the Intergovernmental Steering Committee (IGSC) and, in March 2001, announced their intention to create the Toronto Waterfront Revitalization Corporation, now called Waterfront Toronto.

For the next phase of waterfront revitalization the government partners announced funding for the Port Lands Flood Protection (PLFP) and Enabling Infrastructure project in June 2017. The prospect of new projects has triggered the need to refresh governance and decision making by the government partners.

As set out in its enabling statute, the Ontario *Toronto Waterfront Revitalization Corporation Act, 2002*, the mandate of Waterfront Toronto is to lead and oversee the revitalization of Toronto's waterfront. Since the three orders of government are accountable for the expenditure of government funds with respect to TWRI projects, Waterfront Toronto reports its progress to the IGSC.

Role and Responsibilities:

The IGSC serves as an executive level focal point for intergovernmental management and coordination on matters related to the TWRI. The IGSC also provides governance and oversight to Waterfront Toronto. Specifically, the IGSC:

1. Leads the identification and discussion of general and project-specific governance issues related to waterfront revitalization and Waterfront Toronto, when necessary;
2. Coordinates activities between the three levels of government and Waterfront Toronto;
3. Serves as a forum for information exchange related to the implementation of tri-government funded projects;
4. Undertakes joint planning exercises to ensure that proposed projects are in keeping with the goals and objectives and mandate of the TWRI and Waterfront Toronto;
5. Manages contribution agreements and related activities;

6. Provides feedback on Waterfront Toronto's Annual Corporate Plan to the Waterfront Toronto Board;
7. Establishes working groups, as required, to provide advice and direction on sub-issues; and
8. Establishes project-based executive steering committees, as required, to direct and implement the delivery of government supported waterfront revitalization projects.

As the Port Lands Flood Protection project advances, the IGSC will provide direction on project-specific governance aspects.

The IGSC may delegate its authority and implementation responsibilities to the Tri-Government Working Group (TWG).

Chair:

The responsibility of chair rotates every fiscal year. The City is the chair for 2017/18, followed by the Government of Canada, and then the Province of Ontario.

Membership:

The IGSC is comprised of the following (or their equivalents):

- Government of Canada: Deputy Minister, Infrastructure and Communities; Associate Deputy Minister, Infrastructure and Communities, and Assistant Deputy Minister, Infrastructure and Communities, Program Operations Branch;
- Government of Ontario: Deputy Minister, Ministry of Infrastructure and Assistant Deputy Minister, Realty Division, Ministry of Infrastructure;
- City of Toronto: City Manager and Deputy City Manager; and
- Waterfront Toronto: President and CEO

Voting:

Each order of government has one vote at the IGSC and Waterfront Toronto has non-voting status.

Meetings:

IGSC meetings will be convened at a minimum on a quarterly basis. The schedule of meetings will be established by its members and meetings will be held in-person or by telepresence. For clarity, meetings and voting when urgent and necessary may also occur via electronic mail.

Any IGSC or TWG member may request an agenda item, provided notice is given to the chair (or delegated authority) at least 2 weeks in advance. Materials/Information related to the meeting should be circulated at least 1 week in advance. The City will coordinate the date for each meeting and meeting space will be provided at City Hall, regardless of which government is chairing.

The government that chaired the meeting will prepare and circulate the minutes to the TWG for comment; the minutes will be approved at the subsequent IGSC meeting.

Term:

The IGSC shall exist and operate for as long as necessary to meet the requirements of the TWRI or until one or all members decide that the IGSC's mandate should be ended. The other members may decide to continue the IGSC without the member(s) who have decided to leave.

Communications:

In order to ensure effective coordination, IGSC members will inform each other of actions that could have an impact on each other.

Tri-Government Working Group:

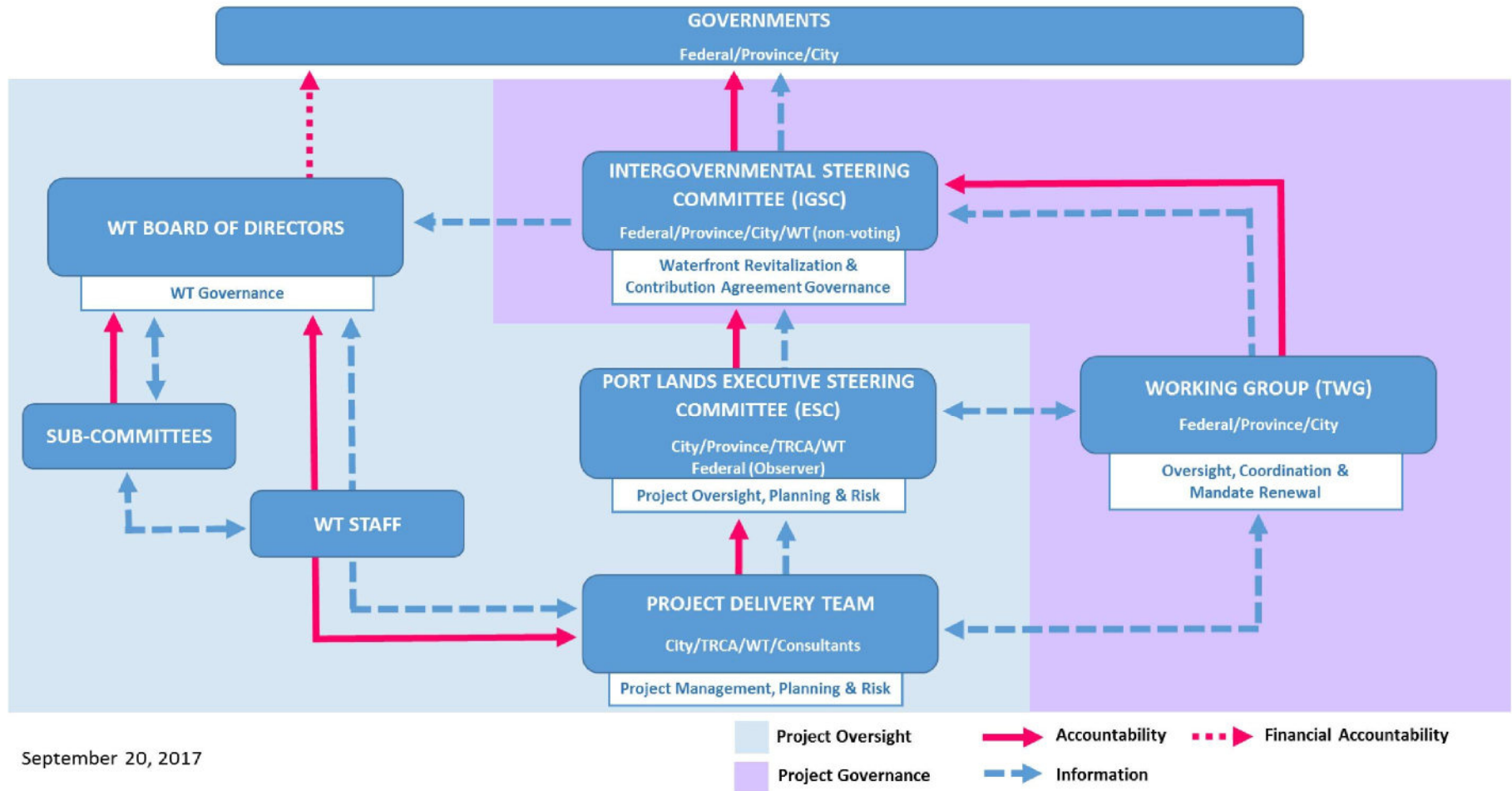
The TWG addresses items delegated by the IGSC and is comprised of Secretariat staff from each level of government. Secretariat staff are responsible for drafting records of discussions, following up on decisions and actions, disseminating information, distributing meeting documentation, scheduling meetings, logistical arrangements, and ensuring proper communication channels are in place to coordinate with Waterfront Toronto and project-based executive steering committees. Secretariat staff are also responsible for implementing IGSC decisions when delegated.

Secretariat staff may also request staff from other government departments/divisions, as well as Waterfront Toronto, to provide their expertise and feedback to the TWG on an as-needed basis.

At a minimum, the TWG will meet monthly and the chair will rotate every fiscal year in sync with the IGSC. The City is the chair for 2017/18, followed by the Government of Canada, and then the Province of Ontario. The agenda and minutes/action items for each meeting will be circulated by the meeting chair.

When delegated from the IGSC, the TWG's scope of work includes Waterfront Toronto Governance and Mandate Renewal as well as Waterfront Toronto Financial Oversight.

PORT LANDS FLOOD PROTECTION CONTRIBUTION AGREEMENT GOVERNANCE & PROJECT OVERSIGHT



September 20, 2017

MEMBERSHIP FOR PORT LANDS FLOOD PROTECTION GOVERNANCE

	INTERGOVERNMENTAL STEERING COMMITTEE (IGSC)	WORKING GROUP (TWG)	PORT LANDS EXECUTIVE STEERING COMMITTEE (ESC)
Federal	Deputy Minister, Infrastructure and Communities	Director, Program Operations Branch, Infrastructure Canada	Director, Program Operations Branch, Infrastructure Canada (Observer)
	Associate Deputy Minister, Infrastructure and Communities	Program Analyst, Program Operations Branch, Infrastructure Canada	
	Assistant Deputy Minister, Infrastructure and Communities Program Operations Branch	Junior Program Analyst, Program Operations Branch, Infrastructure Canada	
Provincial	Deputy Minister, Ministry of Infrastructure	Director, Realty Policy Branch, Ministry of Infrastructure	Assistant Deputy Minister, Realty Division, Ministry of Infrastructure (Active Observer)
	Assistant Deputy Minister, Realty Division, Ministry of Infrastructure	Manager, Realty Policy Branch, Ministry of Infrastructure	
City	City Manager	Director Waterfront Secretariat	Deputy City Manager
	Deputy City Manager	Senior Corporate Management and Policy Consultant, Strategic & Corporate Policy, City Manager's Office	
WT	President & CEO		President & CEO
TRCA			CEO

September 25, 2017

**Pages 430 to 432
are withheld
pursuant to paragraph
13(1)(c)
of the *Access to Information Act***

**Les pages 430 à 432
Font l'objet d'une exception totale
conformément à la disposition de paragraphe
13(1)(c)
de la loi sur l'accès à l'information**

**Pages 433 to 434
are withheld
pursuant to paragraphs
14(a), 19(1), 21(1)(a) and 21(1)(b)
of the *Access to Information Act***

**Les pages 433 à 434
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conformément aux dispositions des
paragraphes
14(a), 19(1), 21(1)(a) et 21(1)(b)
de la loi sur l'accès à l'information**

SCENARIO NOTE

Toronto Waterfront Revitalization Initiative – Intergovernmental Steering Committee

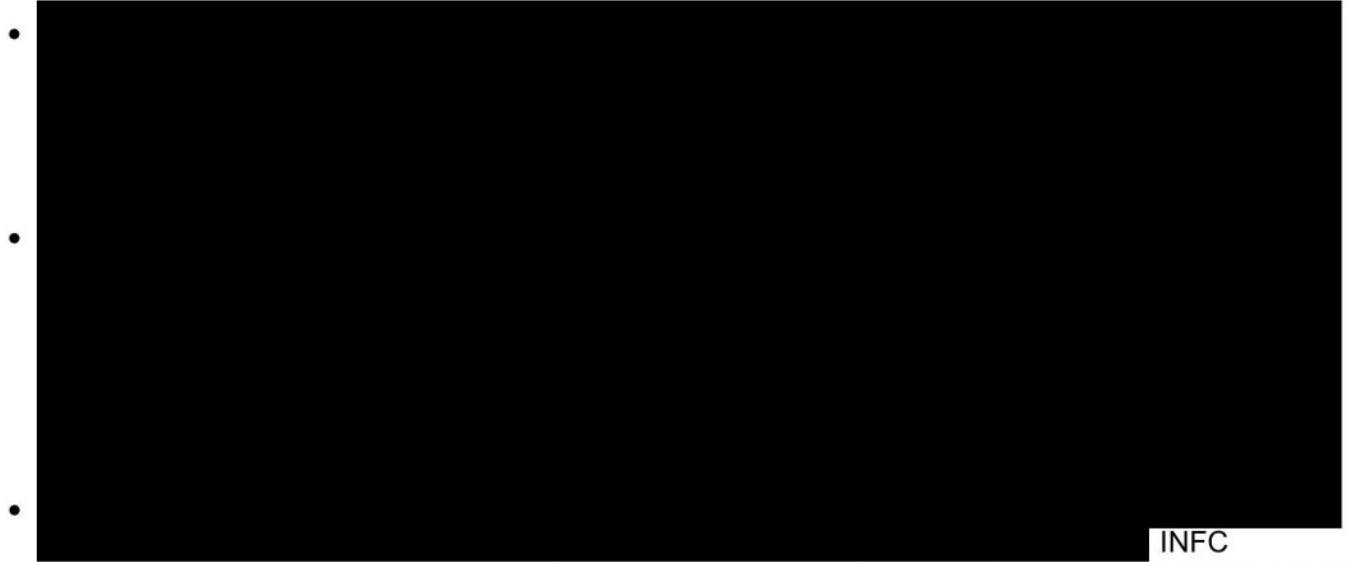
Date/Time:	Sept 6, 2018, 2:30 -4:00	
Location:	In-person and by teleconference at Toronto City Hall 23E	
Subject:	Intergovernmental Steering Committee (IGSC) between Infrastructure Canada, the Ontario Ministry of Infrastructure, the City of Toronto and Waterfront Toronto (WT)	
Participants:	<p>INFC Kelly Gillis Nancy Faraday-Smith Shawn Tippins</p> <p>Ontario Ministry of Infrastructure Scott Thompson (Deputy Minister) Adam Redish (Assistant Deputy Minister) Wendy Ren Cam Whitehead Catalina Manning</p>	<p>City of Toronto Chris Murray (City Manager) Lou Di Gironimo (Deputy City Manager, Cluster B) David Stonehouse (Director, Waterfront Secretariat) Jay Paleja (Manager, City Manager's Office) Siri Agrell (Special Assistant, Mayor's Office)</p> <p>Waterfront Toronto Michael Nobrega (A/ CEO) Marisa Piatelli (Chief Strategy Officer) Meg Davis (Chief Development Officer) David Kusturin (Chief Project Office) Lisa Taylor (Chief Financial Office) Edward Chalupka (Government Relations)</p>

Departmental Objectives

- There are no decision items outside of approval of previous meeting minutes.
- As Chair you will want to show leadership and continued federal commitment to advancing key WT commitments, including delivering the Quayside Master Innovation and Development Plan (MIDP) by April 2019. To that end, you may wish to emphasize the importance of WT providing the Committee with a detailed Quayside/MIDP critical path that previews important milestones and IGSC decision points.
- IGSC will allow INFC officials to receive updates and discuss the next steps regarding the following agenda items:
 - Port Lands Flood Protection;
 - Quayside;
 - WT's 5-year Plan
 - WT Financial Update (quarterly financials, portfolio dashboard; current borrowing authority, and ERP system update)
 - Draft tri-government / WT accord

Stakeholder Objectives

- This will be the first IGSC since the Quayside Plan Development Agreement (PDA) was approved and released on July 31st, so it will be an opportunity to mark that accomplishment and turn to future work on the MIDP.



engages on high-level strategic issues and acts as a bridge back to the federal family, but does not get directly involved on issues that are otherwise better left with WT's management and Board – such as oversight of operational matters.

Context

- A meeting agenda for the quarterly IGSC can be found in **Annex 1**. You chaired the last IGSC meeting in Toronto on July 20, 2018, which was called expressly to brief IGSC members on the PDA and roll-out strategy for its imminent release. Minutes from this meeting may be found under **Annex 2** along with minutes from the previous May 10th, IGSC – the last time standing agenda items were taken up.

Port Lands Flood Protection (PLFP) and Cherry Street Lakefilling Projects

- WT presentation documents as well as a one-pagers from INFC-POB on PLFP and Cherry Street can be found in **Annex 3**.
- Work on the PLFP Project is progressing on schedule and WT has commenced site mobilization. Costs incurred as of July 31, 2018 are \$30,367,834 (2.6% of the total project budget of \$1.185 billion). [REDACTED]
- A draft Terms of Reference for the INFC-WT Oversight Committee has been completed, and are with WT for review and comments. The first meeting will be scheduled in mid-September 2018.

- The Cherry Street Project is progressing on schedule. As of August 29, 2018 construction for Cherry Street Lake filling is approximately 55% complete. Installation of dockwall and sheetpiles on the North side of of Essroc Quay is complete. Some 148,000 metric tonnes of core stone has been put in place. Procurement of RFPs for supply of armour stone and laboratory testing have closed. Work that is ongoing includes:
 - Stakeholder management, communicating, and reporting;
 - Lake filling and Combi-wall construction;
 - Core stone delivery and placement;
 - Shaping and grading core stone.

Quayside

- WT presentation document on Quayside can be found in **Annex 4**.
- The PDA's release on July 31, 2018 received extensive media coverage. This was fuelled in part by the resignation of Ontario-appointed WT Board member Julie Di Lorenzo on the morning the Board voted to adopt the PDA. Media coverage also hi-lighted that the PDA left largely un-answered questions over how the Quayside project would handle issues such as privacy and data ownership/security. More recent media coverage has also drawn attention to the confidential "Design Procurement Document" (request for proposals) produced by Sidewalk, which has IP language heavily favoring Sidewalk Labs.
- WT has now turned its efforts toward an ambitious schedule to develop the MIDP by April 2019. It held the third in a series of five public roundtables on August 14-15, focusing on the first in a number of subject matter areas of the MIDP (a.k.a. "pillars") – and looked at issues such as innovative building techniques, street designs and public realm aspects.
- The go-forward plan for the MIDP process includes the public release of an annotated Table of Contents in early November that will provide a comprehensive description of its component parts, as well as proposed site plans, followed by a public roundtable to seek feedback. A complete draft-work-in process MIDP is expected to be released in early 2019 with a final roundtable.
 - A final draft is being targeted for WT/Alphabet Board approval in April 2019. At the same time the City will conduct its own public consultation after receiving the MIDP to inform its considerations in advance of necessary City approvals.
- Privacy and data issues are being dealt with largely through the arms-length Digital Strategy Advisory Panel (DSAP) established by WT. While this group has been pre-occupied with coming to terms with its mandate, it is expected to start dealing with substantive issues come October. To facilitate its work, a number of 'Civic Lab' engagement events are planned over the fall/winter to address key questions on privacy/data governance that will inform the shape of Sidewalk Labs' Responsible Data Use Policy Framework. WT is seeking active government participation at these events.
- The DSAP remains of key interest from a federal perspective, as there will likely be important linkages to draw between its work and that of the federal government's National Digital and Data Transformation Consultations, currently underway. INFC will continue to be a focal point in connecting these efforts within the federal family. Staff have initiated a dialogue with ISED on how best to do this going forward.

WT 5-year Strategic Business Plan

- WT presentation document on the 5-year Plan can be found in **Annex 5**.
- This year WT is legislatively obligated to deliver a 5-year business plan covering the fiscal periods 2019/20 to 2023/24, which requires Board approval by end of December. The Plan itself does not require the approval of the three orders of government. [REDACTED]
- The 5-year Plan is required to cover the Corporation's objectives and plans to enhance the economic, social and cultural value of the land in the designated waterfront area, including:
 - Current and forecast levels of activity in the area;
 - Infrastructure that may be needed;
 - Plans to divide and develop the land;
 - Projects that the board considers to be priorities for the corporation; and
 - Timetable for implementing these projects.
- The Plan will also include an estimate of the long-term development costs of achieving these objectives and a description of the business strategies and funding options available to the Corporation for the following five years. In this regard we expect WT will use the 5-year Plan to address how private capital can be brought to the table; how it can utilize the capacity of CreateTO and others actors in the area; and, how it can leverage the respective innovation agendas of the three orders of government.
- Your interest in this item will be to see any indication from WT as to whether the Plan will signal any particular governance requests to the three orders of government. These deal with requests to either borrow, mortgage or encumber assets, raise revenue, or create a subsidiary.
- In addition the 5-year Plan will further outline the context for the next 10 years and the key strategic questions to be addressed in light of WT's mandate expiring in 2028. As such, you will also be interested in any signals on the part of WT concerning the extension of its mandate.
- WT must still also produce a Corporate Plan for 2019/20. This year it will be included as a subset of the 5-year Plan.

WT Financial Update*Quarterly Financial Report*

- WT will be presenting updates on its Quarterly Report and recent borrowing, which are standing IGSC agenda items. Supporting material can found in **Annex 6**.

WT Portfolio Dashboard

- WT will present a financial Portfolio Dashboard of its major projects. This document responds to a request the federal government has raised at previous IGSC meetings for WT to provide regular dashboard updates for every project using a standard template similar to the Port Lands Flood Protection dashboard. The standard template would track work completed/forecast and spending to date and forecasted by project.

- As this is the first iteration of the dashboard being presented to for IGSC consideration, you may want to ask that WT walk members through and explain each of its key performance indicators, and allow an opportunity to discuss how future iterations may be improved for clarity, precisions and level of detail provided.

Provincial Auditor General (AG) Value-for-Money Audit

- WT will update on the AG audit. Representatives from all three orders of government were interviewed by auditors over the spring/summer. At INFC Program Operations Branch staff were interviewed.
- The AG's office is now circulating a "Factual Clearance" document, containing 149 statements as well as eight tables and six appendices, for comment by the three levels of government and WT. Comments are requested for September 8, 2018. The three levels of government have met at the staff level to share their respective comments back to the AG's office.

WT Enterprise Resource Planning (ERP) Software Implementation

- The ERP is business process management software that will allow WT to use a system of integrated applications to manage office functions including reporting on funds spent, project progress and results.
- WT has experienced a 2-3 month delay going live with the tool. It is holding a series of pilots to test how the ERP platform aligns with WT's needs, the second of which took place in May, while a third is scheduled for September. The system is expected to launch in October 2018.
- The City of Toronto engaged Ernst and Young LLP (EY) to undertake an audit of WT's proposed ERP system. EY is taking part in the control room pilots and will report back to the three levels of government to seek feedback. See City of Toronto update also in **Annex 6**.

will continue to monitor the roll-out of the tool and update government partners.

Toronto

Tri-government / WT Accord

- A City of Toronto presentation document and working draft of the proposed accord can be found in **Annex 7**.
- At the last IGSC, the Tri-government Working Group (TWG) was directed to continue its work toward advancing a text that could form the basis of a non-binding accord clarifying roles and responsibilities between the three levels of government and WT. The TWG was directed to report on progress at the next IGSC.
- A draft work-in-process text has now been shared with WT for comment. [REDACTED]
- The purpose of the update at this meeting is to seek IGSC direction on advancing the text toward a final draft which may be considered for approval by IGSC in November. Specifically, IGSC concurrence is being sought on the following recommendations:
 - That the accord retain a four-party agreement model
 - That IGSC members exercise delegated authority (accord be signed by Deputy Ministers and the City Manager)
 - That WT requests for changes to governance framework be dealt with through future process (e.g., extension of term, etc.)
 - That the accord reinforce ultimate accountability of the WT Board in development of plans and reports

- [REDACTED]

In-Camera

- No requests have been received to date on issues to raise in-camera.

Annexes:

Annex 1: Agenda

Annex 2: Minutes from the May 10 and July 20 IGSC Meetings

Annex 3: Port Lands Flood Protection Contribution Agreement Update (WT)

- i. Port Lands 1-pager (POB)
- ii. Port Lands Dashboard (POB)
- iii. Draft Terms of Reference: WT-INFCC Port Lands Oversight Committee (POB)
- iv. Cherry Street 1 pager (POB)
- v. Cherry Street Dashboard (POB)

Annex 4: Quayside Update (WT)

Annex 5: WT 5-year Strategic Plan (WT)

Annex 6: WT Financial Update (WT)

- i. Portfolio Dashboard (WT)
- ii. ERP Memo (City)

Annex 7: Tri-government /WT Accord Update (City)

- i. Draft Tri-government Accord (TWG)

**Pages 441 to 445
are withheld
pursuant to paragraphs
21(1)(a) and 21(1)(b)
of the *Access to Information Act***

**Les pages 441 à 445
Font l'objet d'une exception totale
conformément aux dispositions des
paragraphes
21(1)(a) et 21(1)(b)
de la loi sur l'accès à l'information**

Agenda
Toronto Waterfront Revitalization Initiative IGSC
September 6, 2018

Toronto City Hall, 23rd Floor East Tower, and by Teleconference
 2:30 – 4:00 PM



1. **Welcoming Remarks and Introductions** – Kelly Gillis, Deputy Minister, INFC (5 Min)
2. **Approval of May 10 and July 20, 2018 IGSC Minutes** – All (5 Min) – Decision Item
3. **Port Lands Flood Protection Update** – WT Chief Project Officer David Kusturin (10 Min) – Information Item
4. **Quayside** – WT Chief Development Officer Meg Davis (20 Min) – Information Item
 - *Project Update*
 - *Digital Strategy Advisory Panel Update*
5. **Waterfront Toronto 5-year Plan** – WT Chief Strategy Officer Marissa Piatelli (10 Min) – Information Item
6. **WT Financial Update** – WT Chief Financial Officer Lisa Taylor (25 Min) – Information Item
 - *Quarterly Financial Report*
 - *Status of WT Borrowing*
 - *Extension of WT's borrowing consent to 2028*
 - *Provincial AG Audit Update*
 - *Enterprise Resource Planning System*
 - *City-commissioned EY Audit of ERP System – David Stonehouse, Director, City of Toronto Waterfront Secretariat*
7. **Tri-government / WT accord** – David Stonehouse, Director, City of Toronto Waterfront Secretariat (10 Min) – For Discussion
 - *Tri-government Working Group (TWG) progress update*
8. **In Camera** – (5 Min)

Final for IGSC APPROVAL

Toronto Waterfront Revitalization Initiative Intergovernmental Steering Committee Meeting Minutes

Thursday May 10, 2018
2:00 to 3:30 PM

Federal Representatives: Kelly Gillis, Glenn Campbell, Gerard Peets, Marie-Pier Nassif, Kathy Morin, Brook Simpson

Provincial Representatives: Bruce Singbush, Carol Mercer, Lynn Kekanovich

City of Toronto Representatives: Lou Di Gironimo (chair), Giuliana Carbone, Jayne Naiman, Mike Yu, Brett Howell

Waterfront Toronto Representatives: William Fleissig, David Kusturin, Lisa Taylor, Marisa Piattelli, Ed Chalupka, Meg Davis

	ITEMS DISCUSSED	
1.	Welcome and Introductions	<p>Lou Di Gironimo (Interim Deputy City Manager) and Giuliana Carbone (Interim City Manager) introduced themselves to the IGSC.</p> <p>The Government of Canada agreed to chair IGSC meetings for the remainder of the 2018/19 Waterfront Toronto fiscal year.</p>
2.	Approval of January 25, 2018 IGSC Meeting Minutes	IGSC minutes were approved with no amendments.
3.	<p>Port Lands Flood Protection</p> <p>(i) Contribution Agreement Update</p> <p>(ii) Project Update (WT)</p>	<p>(i) Will Fleissig thanked the government partners for coming together to finalize the Flood Protection and Enabling Infrastructure Contribution Agreement.</p> <p>(ii) David Kusturin provided a project update. Design work is advancing on river/park, roads/infrastructure, and bridge components. Schematic design (30%) is anticipated in May and updated costs are expected in June/July.</p> <p>Villiers Park and Promontory Park North will be designed to 30% detailed design and construction costs are not included within the \$1.25 billion.</p> <p>Design excellence is being pursued for the 3 bridges using a common design / form approach. The intention is that the continuity of bridge design will generate costs similar to or lower than 3 separate bridge designs. Budget and materiality will</p>

		<p>impact final design. The Design Review Panel and the City's Structures group are engaged.</p> <p>Cherry Street lakefilling is advancing. Barges are currently delivering core stone fill onsite. Anticipated Final Hard Costs for Cherry Street are higher than the Current Approved Budget (\$48.4K vs. \$41.8K) as a result of higher grade fill costs. Cherry Street contingency has been applied to cover the costs. WT is forecasting 100% of the budget will be spent.</p> <p>The Province requested additional detail related to hard costs for the Cherry Street project.</p> <p>Consultant contracts issued to date reflect the dollar value approved by governments before the \$1.185 billion CA. WT is now in the process of updating contracts values.</p> <p>A Partners Meeting with the 30+ consultant teams is scheduled for May 18, 2018.</p> <p>Construction Baseline Schedule (10% design) is done and will be updated once Schematic Design (30% design) is completed.</p> <p>Site preparation, clearing and shallow excavation will begin in July 2018.</p> <p>A Public Meeting was held in March and another is scheduled for July 18th, 2018.</p> <p>Initial Risk Management Workshop completed March 21/22 and the next will occur after Schematic Design.</p> <p>Project Soft Costs were approved by the WT Board in March.</p>
4.	<p>Update on First Nations Consultation</p> <p>(i) Mississaugas of New Credit</p> <p>(ii) Mississaugas of Scugog Island</p> <p>(iii) Federal Approvals</p>	<p>(i) Meeting was held between the MNCFN, the government partners and WT on April 16, 2018. Ongoing conversation between the MNCFN and WT to develop an MOU to formalize involvement in public realm and other aspects. Federal government will link WT with appropriate contacts to advance MOU dialogue.</p> <p>(ii) Province has determined that Duty to Consult has been triggered for both the MCNFN and the Mississaugas of Scuggog Island. WT has been delegated procedural aspects of the Duty to Consult from the Province.</p> <p>(iii) WT has received Federal confirmation that the Duty to Consult has been satisfied to date.</p>
5.	<p>Quayside</p> <p>(i) Project Update</p>	<p>(i) Meg Davis provided a project update on Quayside. The Quayside Executive Steering Committee (QESC) held its first monthly meeting on April 19, 2018 and a Digital Advisory Panel was announced on April 27, 2018.</p>

		<p>WT is looking for opportunities to bring Canadian businesses to scale.</p> <p>Timelines for Partnership Development Agreement (PDA) and Master Innovation Development Plan (MIDP) are evolving and will be given the time they need for the parties to "get it right".</p> <div style="background-color: black; height: 400px; width: 100%;"></div> <p>WT noted the QESC meeting scheduled for May 18 will be cancelled.</p>
6.	<p>ERP Implementation</p> <p>(i) WT Roll-Out</p>	<p>(i) Competing WT staff resource demands have posed implementation challenges. The "go-live" date has been pushed from April to summer / early fall. It was clarified that all projects will "go-live" at the same time.</p> <p>At the request of the Federal government, WT agreed to provide regular dashboard updates for every project using a standard template similar to the Port Lands Flood Protection dashboard. The standard template will track work</p>

Final for IGSC APPROVAL

	(ii) City Audit	<p>completed/forecast and spending to date and forecasted by project. WT will share the WT Board template with the government partners.</p> <p>(ii) EY has been officially retained by the City and EY has met with WT to review timelines. EY will participate in a week long "control room pilot" exercise that will test WT's processes against the ERP software. EY will generate a report to the City after the pilot is complete and the City will share the results with the government partners as appropriate.</p>
7.	<p>WT Financial Update</p> <p>(i) Quarterly Financial Report</p> <p>(ii) Borrowing</p> <p>(iii) Five Year Strategic Business Plan</p>	<p>(i) As of Q3, WT is realizing approximately 75% for Key Deliverables, Budget and Revenues. WT is in the process of finalizing Q4 results.</p> <p>(ii) WT has negotiated a new Centralized Cash Control (CCC) Service with its bank to pool WT's account balances for interest income/borrowing cost purposes. The Flood Protection Project's working capital balance is sufficient to maintain a positive corporate account balance for at least the next 3 years and therefore no borrowing is anticipated.</p> <p>(iii) As defined in the Legislation, WT is required to prepare a Five Year Strategic Business Plan by December 31, 2018. WT will ensure there are multiple check-in points with government partners before the document is finalized. Priorities include:</p> <ul style="list-style-type: none"> - Business and Implementation Plans for future Precincts; - Addressing how private capital can be brought to the table; and - Utilizing the capacity of CreateTO and others actors in the area. <p>Strategic options will be presented to IGSC in the early fall. It is important to align IGSC approvals with WT Board approval dates.</p> <p>Governments require WT to pull together a master calendar to outline the sequence of approvals.</p> <p>The City sought clarification as to what the "Port Lands" priority project references in the WT handout. WT clarified that the immediate task is for the completion of a Business and Implementation Plan for the Villiers Island Precinct. It was suggested that this priority be amended to reflect this scope.</p> <p>MNP performed an independent audit of WT's Enterprise Risk Management framework and it was presented to the Finance, Audit & Risk Management Committee in March. Several strengths and areas for improvement were noted by MNP. The areas for improvement will be implemented by MNP until WT fills the COO position. The Committee also approved a two-year internal audit plan.</p>

Final for IGSC APPROVAL

8.	<p>Other Business</p> <p>(i) Waterfront Toronto</p> <p>(ii) Federal Government</p> <p>(iii) Provincial Government</p> <p>(iv) City of Toronto</p>	<p>(i) WT provided the IGSC with an update on the proposed Capital Peer Review Panel which seeks to enhance WT's existing WT governance and risk management framework to address the increased risks associated with the Flood Protection Project. Key elements include ensuring clear lines of responsibility and a 3 line approach to project management. WT is attempting to schedule the inaugural meeting prior to the May 31, 2018 FARM Committee meeting.</p> <p>WT asked the government partners to help identify candidates who may sit on the Panel [REDACTED]</p> <p>[REDACTED] WT will send the government partners a mandate package to help identify potential candidates.</p> <p>WT asked for the City to clarify its transit priorities based on the transit MOU recently signed between the City and the Province.</p> <p>City staff are meeting with Metrolinx and Province to advance all projects outlined in the MOU and the parties are currently mapping out the schedules (design, tendering, construction, etc.) for the next 5-10 years. Once this is completed, the City will be in a position to provide an update to WT, likely in July. The City is building capacity for the life of all these projects and the the Waterfront Secretariat will be plugged into conversations with the new transit unit.</p>
9.	In-Camera Session	The government partners did not request an in-camera session.

Final for IGSC approval

Toronto Waterfront Revitalization Initiative Quayside-focused Intergovernmental Steering Committee Meeting Minutes


Friday, July 20, 2018
2:00 to 3:30 PM

Federal Representatives:	Kelly Gillis (Chair), Shawn Tippins, Brook Simpson (via telcon)
Provincial Representatives:	Scott Thomspson, Chris Giannekos, Bruce Singbush, Adam Redish
City of Toronto Representatives:	Giuliana Carbone, Lou Di Gironimo, David Stonehouse, Jayne Naiman, Mike Williams, Siri Agrell
Waterfront Toronto Representatives:	Michael Nobrega, Julius Gombos, Meg Davis, Marissa Piatelli, Ed Chalupka, Michael Bernstein, Carol Webb

	ITEMS DISCUSSED	
1.	Welcome and Introductions	Kelly Gillis welcomed all IGSC members to the meeting, and acknowledged Scott Thompson as the new Deputy Minister of the Ontario Ministry of Infrastructure, and Michael Nobrega as acting President and CEO of Waterfront Toronto.
2.	Approval of June 14, 2017 Quayside Executive Steering Committee (ESC) Meeting Minutes	It was agreed that the minutes would be amended as per comments voiced by the City of Toronto's Waterfront Secretariat, and re-circulated. In addition to the minutes reflecting that the Quayside ESC is to be discontinued in favor of having Quayside-focused meetings of the IGSC, the minutes would be amended to read that Quayside-focused IGSC meetings would be held 'as required' instead of every 6 weeks.
3.	Quayside (i) Comments and questions related to the Plan Development Agreement (PDA)	(i) Julius Gombos, WT Vice President, Project Delivery, summarized the key issues addressed in the PDA, which included: the project objectives and scope of the Master Innovation and Development Plan (MIDP); that there is no sale or transfer of land provided for in the PDA; a September 30, 2019 deadline for Board approval of the completed MIDP; funding of up to US \$50 million from Sidewalk to complete the MIDP; and multiple points of approval by WT's Board of Directors. WT outlined the feedback it had received over the previous weeks in various briefings on the draft PDA. Aside from factual

	<p>(ii) Forward Process for developing the MIDP</p> <p>(iii) IGSC next steps</p>	<p>editing/drafting issues, the main comment arising from governments concerned the depiction of the geographic scope of the project. As a result, a map depicting the MIDP site in an earlier draft of the PDA was replaced with one situating the 12-acre Quayside site within the Designated Waterfront Area, as set out in the <i>Toronto Waterfront Revitalization Corporation Act</i>. WT also reiterated to IGSC members that the focus of the PDA remained the Quayside site, while allowing for the exploration of proposals at scale.</p> <p>In response to questions over whether there were pressure points in negotiations with SWL that may be reflected in the PDA, Waterfront referenced the establishment of the project management committee as a key accomplishment for WT.</p> <p>(ii) The IGSC discussed the forward process for developing the MIDP. It was noted that public roundtables on MIDP pillar areas would be commencing in the days following the release of the PDA. In this regard, the GR/PR schedule of the PDA would provide guidance on managing the process for community stakeholder consultations. In parallel with Waterfront's process, the City noted that it would also be undertaking a public consultation process and peer review towards the end of the MIDP process.</p> <p>(iii) It was noted that a draft Table of Contents for the MIDP would be developed for consultation release in early November along with outlines of specific site plans.</p> <p>On next steps for the IGSC, it was determined that a Quayside project dashboard that tracks key performance indicators around timelines/milestone deliverables would be developed and provided to the IGSC for monitoring purposes.</p>
4.	Quayside public engagement and communications	<p>Meg Davis presented on WT's strategy for releasing the PDA following a vote of approval by the WT Board of Directors – scheduled for Tuesday, July 31, 2018.</p> <p>Assuming Board approval and signature of the PDA, its release would be embargoed until approximately 4pm to allow for technical briefings with the media.</p> <p>The October 2017 Framework Agreement (replaced by the PDA) would also be released at the same time. The release of both documents would be accompanied with communications materials explaining the differences between the two agreements.</p> <p>A communications package, including suggested Qs & As, would be provided to governments in the mid-week prior to the release.</p>

Final for IGSC approval

5.	Outcomes from July 16 Tri-government Working Group (TWG) workshop	<p>David Stonehouse presented on a TWG workshop the City had hosted on July 16, which focused on developing a working text clarifying roles and responsibilities between the three orders of government and WT.</p>  <p>WT representatives welcomed the TWG exercise in principle, noting it may be timely as WT begins developing its next 5-year plan.</p> <p>IGSC members directed the TWG to continue its work and report on progress at the next IGSC meeting.</p>
6.	Other business (i) WT five-year plan	<p>(i) WT noted that it is working on its next 5-year plan, which may also provide an outlook for the final 5 years remaining in the life-cycle of WT, whose mandate will expire in 2028. As a result, WT noted that it is considering governance requests as part of its 5-year plan.</p> <p>The Plan covers a period starting on April 1st of next year, but needs to be approved by WT's Board of Directors by the end of this December.</p> <p>The importance of allowing for a review period with the three levels of government in October was raised. In this regard WT indicated that it was looking at setting up a meeting with TWG representatives in September to go over the draft table of contents and overall approach for the five-year plan.</p> <p>WT also noted that it would also be turning attention to its annual long-term funding plan which looks at the funding nature of its relationships with governments.</p>
7.	In-Camera Session	The government partners requested an in-camera session.

Port Lands Flood Protection Update

Inter-Governmental Steering Committee Meeting

September 6, 2018

David Kusturin, Chief Project Officer



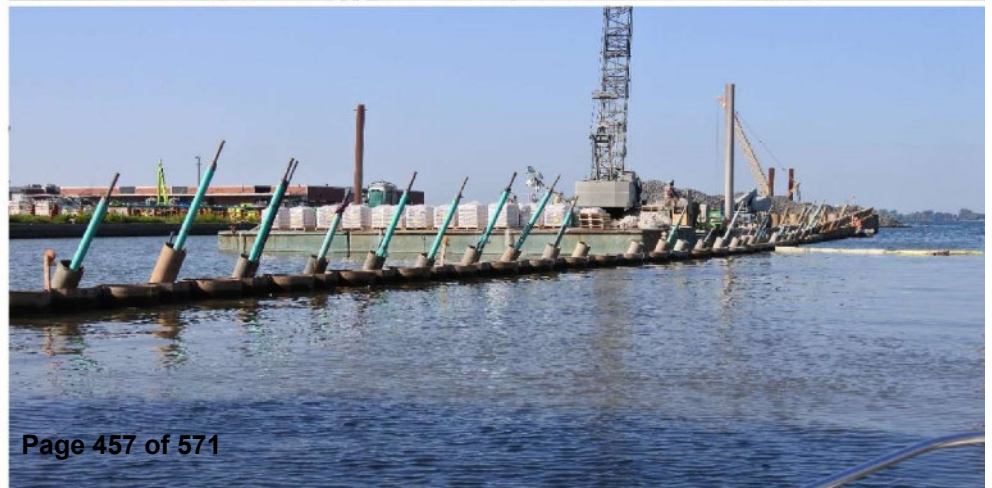
WATERFRONToronto

Cherry Street Lakefilling & Stormwater Diversion Project



Cherry Street Lakefilling & Stormwater Diversion Project

- First step in the Don Mouth Naturalization Project
- Create a new landmass around the current Essroc Quay, stabilize the area shoreline in flood conditions
- Create new fish habitat
- Total budget: \$65M
- Construction: August 2017 – March 2019



Status as of July 31, 2018– Cherry Street Lakefilling Project



Total Project Budget	\$ 65,000,000
Total Amount Committed	\$ 55,781,757
Total Cost Incurred	\$ 29,580,057
Forecast Additional Commitments	\$ 3,386,057
Total Unallocated Contingencies	\$ 5,832,186
 Forecast Final Cost	 \$ 65,000,000

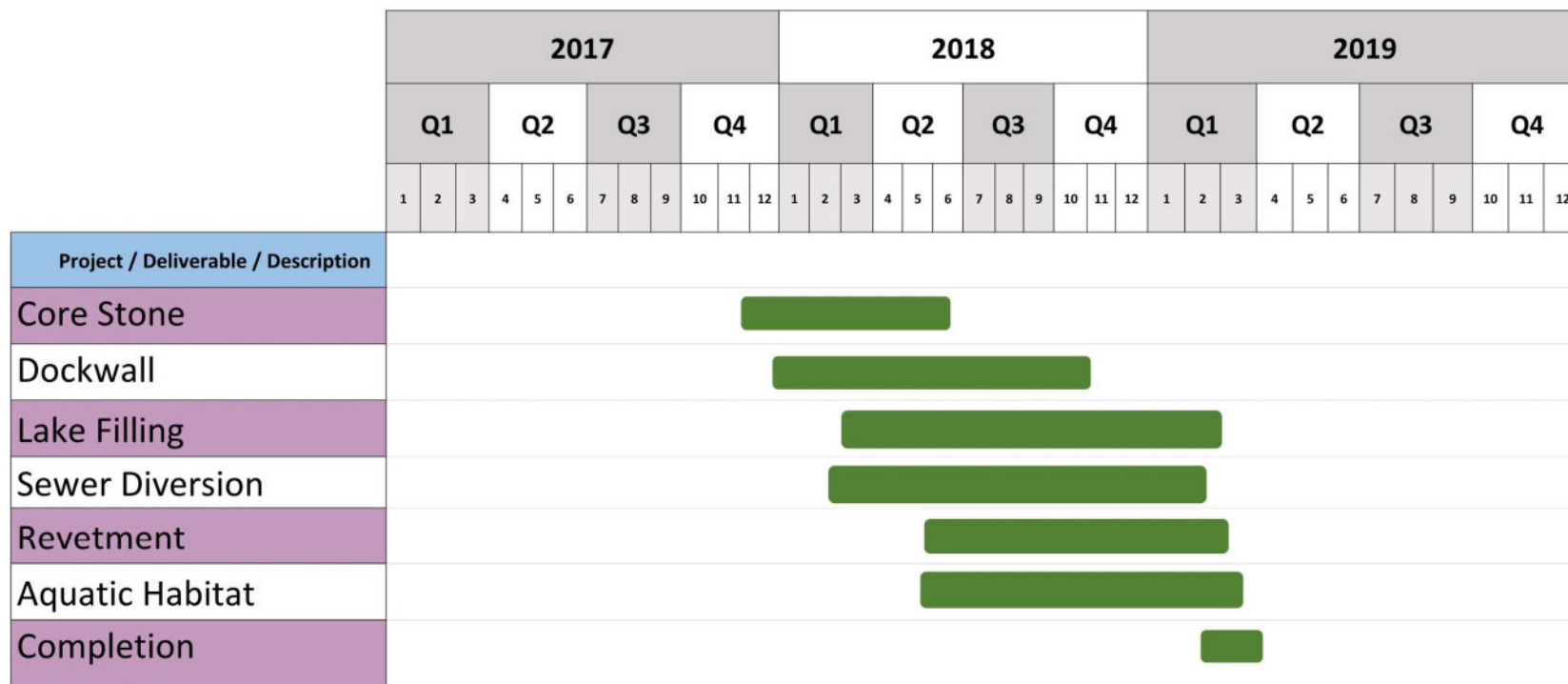
- Construction for Cherry Street Lake filling is approximately 55% complete
- Lake filling and Combi-wall construction is on-going
- Installation of Dockwall and Sheetpiles on the North side of Essroc Quay is complete
- Core Stone delivery and placement is on-going.
- Shaping and grading core stone is on-going.

CSLF Construction Schedule

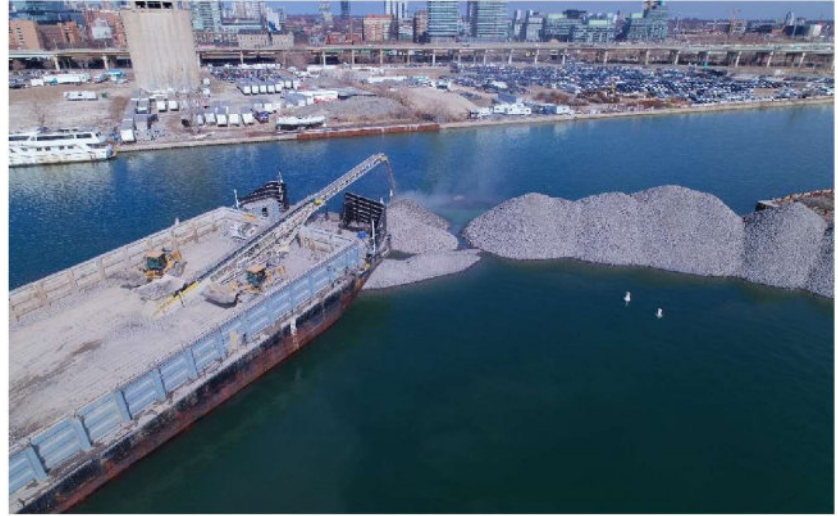
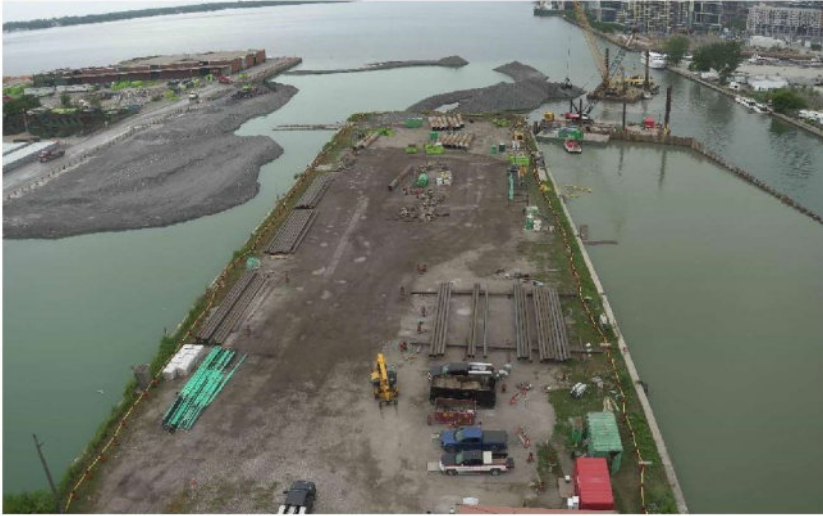


LEGEND

Construction



Construction Update: Revetment Berms & Confinement



Construction Update: Dock Wall & Lakefilling



Don Mouth Naturalization & Port Lands Flood Protection



After Flood Protection:

- New Don River mouth, including a 1,000-metre river valley
- Don Greenway (spillway and wetlands)
- Improved Keating Channel
- Additional infrastructure, such as roads, bridges, storm sewers and watermains



Status - Port Lands Flood Protection



As of July 31, 2018

- Program Risk Register updated to reflect revised program cost estimates and program schedule
- Transport Canada Permit Application submitted
- Topographical Survey and Subsurface Utility Engineering (SUE) is underway
- Tree cutting, site clearing and demolition sub-trades awarded and work has commenced
- Procurement documents for shallow excavation and soil management are complete
- 60% design activities are underway
- Public meeting held on July 18, 2018

**Pages 464 to 466
are withheld
pursuant to paragraph
20(1)(b)
of the *Access to Information Act***

**Les pages 464 à 466
Font l'objet d'une exception totale
conformément à la disposition de paragraphe
20(1)(b)
de la loi sur l'accès à l'information**

Tree Clearing, Demolition & Interim Separation Structure



Design Progress Port Lands Flood Protection



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River Landscape and Parks



River Landscape and Parks



River Landscape and Parks



Bridges

Design Update Family of Bridges



- 1. Cherry North
- 2. Cherry South
- 3. Commissioners

Bridges

Cherry North
View from Keating Channel Promenade



Bridges

Cherry South
View from River Valley Park



Bridges

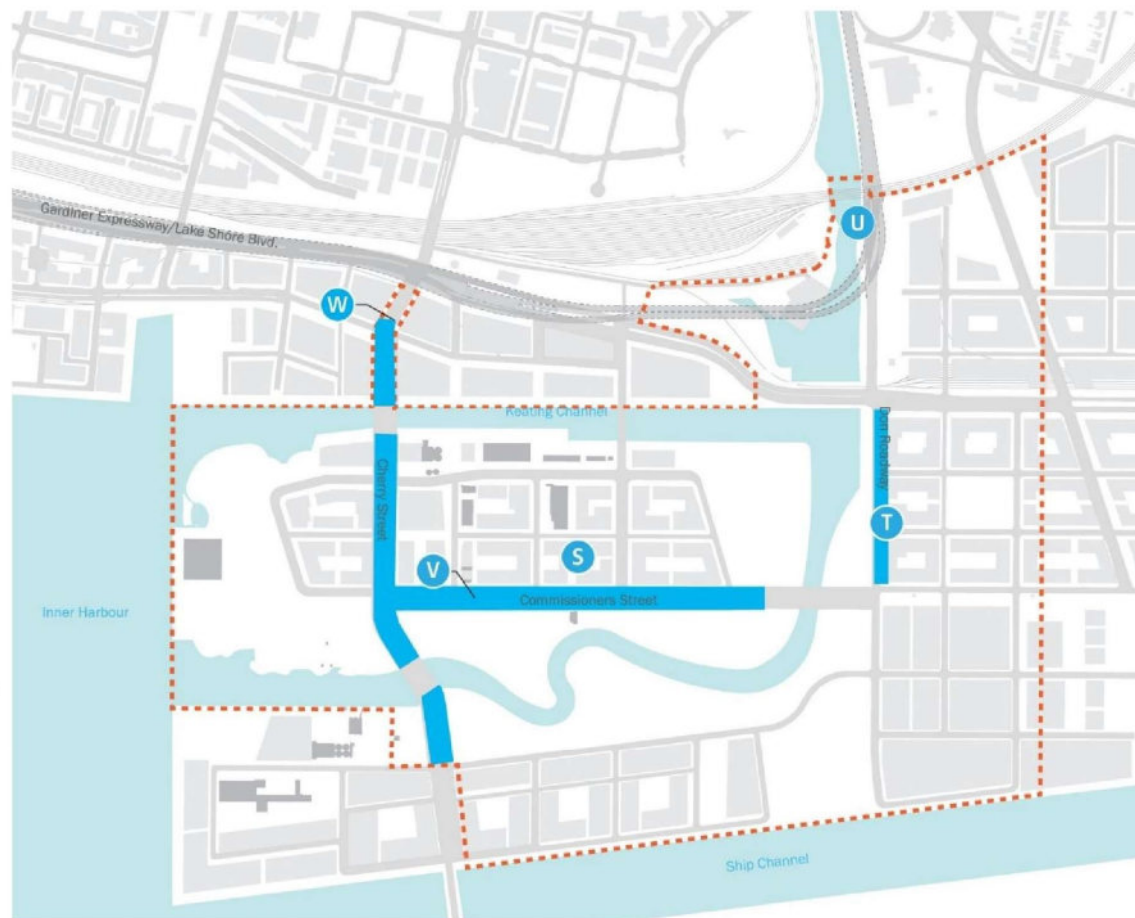
Commissioners
View from River Valley Park



Roads

- A Cherry Street Stormwater and Lakefilling
- B Poison Slip Naturalization
- C Flood Protection - River Valley
- D Don Greenway (Spillway & Wetland)
- E Don Roadway Valley Wall Feature
- F East Harbour Flood Protection Land Form
- G Sediment and Debris Management Area
- H Flow Control Weirs
- I Eastern Avenue Flood Protection
- J Villiers Island Grading
- K Keating Channel Modifications
- L Promontory Park South
- M River Park
- N Lake Shore Road and Rail Bridge Modifications
- O Cherry Street Bridge North
- P Cherry Street Bridge South
- Q Commissioners Street Bridge
- R Old Cherry Street Bridge Demolition
- S Site Wide Municipal Infrastructure
- T Don Roadway
- U Hydro One Integration
- V Commissioners Street
- W Cherry Street Re-alignment

- Port Lands Flood Protection and Enabling Infrastructure Boundary
- O Earthworks/Flood Protection
- L Parks
- Q Bridges & Structures
- S Roads and Municipal Infrastructure



Roads

New Cherry Street



Roads

Commissioners Street



Roads

Don Roadway



PORT LANDS FLOOD PROTECTION AND ENABLING INFRASTRUCTURE PROJECT

Waterfront Toronto

THE PROJECT

The Port Lands Flood Protection and Enabling Infrastructure project (the Project) is expected to provide critical flood protection to 290 acres of underutilized and underdeveloped lands in the southeastern portion of downtown Toronto, which are at risk of flooding. The scope includes the creation of a naturalized mouth for the Don River that will safely convey flood waters into Lake Ontario; brownfield remediation; the creation of public parks aquatic habitat; and upgrades to municipal infrastructure including roads, bridges, and water and wastewater systems.

A dashboard developed by the Recipient, Waterfront Toronto (WT), outlining the Project components, budget and schedule has been provided in Annex A.

The federal government is contributing \$384.2 million towards the Project under the Toronto Waterfront Revitalization Initiative. Construction of the Project started on June 18, 2018, and is expected to end on March 31, 2024.

UPDATE:

Design: Consultants have provided cost estimates based on 30% design for the river valley and parks; roads and bridges; servicing and municipal infrastructure; and flood protection features. These are being reviewed by WT project team and consultants.

Site preparation: Tree cutting and vegetation clearing is expected to be completed by September 2018 at a number of locations in the Port Lands. Drilling to collect soil and groundwater samples, surface water sampling, land surveying, pilot testing for soil treatment technologies, geophysical surveys, and vegetation and wildlife surveys are also taking place.

Construction: Crews are preparing for demolition at Commissioners and Cherry Streets. Existing asphalt, concrete, and existing buildings will be removed. Construction on a temporary structure near Commissioner's Street to separate work zones along the River Valley and Don Greenway will start in September 2018.

Budget and Cost: Costs incurred as of July 31, 2018 are \$30,367,834 which represent 2.6% of the total project budget (\$1.185 billion). [REDACTED]

Oversight Committee: Draft Terms of Reference (Annex B) for the INFC-WT Oversight Committee have been completed, and are with WT for review and comments. The first meeting will be scheduled in mid-September 2018.

RISK:

The WT project team is monitoring risks and implementing mitigation activities on on-going basis. Key risks are as follows:

- A final confirmation of tenant relocation dates required from CreateTO (the City of Toronto's agency that manages the City's real estate portfolio). A Master Agreement with CreateTO is required before construction begins in July 2019.
- In discussions with 3C Landowners for a License to Construct Agreement for construction of Cherry Street North.
- A potential increase to scope and costs for potential modification/relocation of Hydro One Networks Inc (HONI) facilities. In addition, an agreement with Toronto Hydro related to the design and construction of Hydro Infrastructure will be negotiated.
- Construction costs are being assessed as part of the 30% design to stay within budget.

PORT LANDS FLOOD PROTECTION PROJECT

Waterfront Toronto

- A potential increase to the scope and costs associated with the Gardiner Expressway underpinning and coordinating the ramp structures and sediment management in relation to the Gardiner Expressway project.
- Through the Oversight Committee, INFC will continue to track the Project's schedule, budget and progress, as well as monitor and report on the Project risks. INFC will also provide and receive regular updates from the Project funding partners (the Province of Ontario and the City of Toronto).

COMMUNICATIONS, PUBLIC AND STAKEHOLDER RELATIONS:

- June 27, 2018 - Landowner and User Advisory Committee meeting
- July 18, 2018 - Public Meeting (rescheduled)
- Communications with the Mississaugas of Scugog Island First Nation have been initiated
- Communications with the Mississaugas of New Credit First Nation continue

SHORT TERM LOOK AHEAD:

- WT will present a request to the WT Board of Directors for capital cost approval. The Board is expected to provide a decision by December 2018;
- Project teams will continue to work on submissions related to permits from regulatory agencies (e.g. Toronto Heritage Preservation Services; Ministry of Environment and Climate Change);
- Project teams will continue to work on meeting commitments outlined in the Don Mouth Naturalization and Port Lands Flood Protection Environmental Assessment Study;
- Complete tender for demolition and shallow excavation of the Phase 1 River area;
- Continue with stakeholder management, communicating, and reporting; and
- INFC-WT oversight committee meeting scheduled for mid-September, 2018.

**Pages 482 to 483
are withheld
pursuant to paragraph
20(1)(b)
of the *Access to Information Act***

**Les pages 482 à 483
Font l'objet d'une exception totale
conformément à la disposition de paragraphe
20(1)(b)
de la loi sur l'accès à l'information**

Oversight Committee Guidelines

For the

The Portlands Flood Protection and
Enabling Infrastructure Project

Approved: XX/XX/2018

Introduction

The key role of the Oversight Committee (OC) is to ensure that the Port Lands Flood Protection and Enabling Infrastructure Project (the "Project") is being implemented in accordance with the "The Port Lands Flood Protection and Enabling Infrastructure Project Tri-government Agreement" (CA) entered into between HER MAJESTY THE QUEEN IN RIGHT OF CANADA, represented by the Minister of Infrastructure and Communities (herein referred to as "INFC"), HER MAJESTY THE QUEEN, in right of the Province of Ontario, represented by the Minister of Infrastructure (herein referred to as "Ontario"); the CITY OF TORONTO represented by the Deputy City Manager, Cluster B (herein referred to as the "City") and the Toronto Waterfront Revitalization Corporation (herein referred to as "The Recipient").

This document will present guidelines that are designed to provide the OC members with a description of their roles and responsibilities.

The guidelines will serve to clarify key elements and principles of the CA, and to ensure that management of the CA meets legal and policy requirements of the CA. In addition, the guidelines set out administrative practices for operation of the OC.

Interpretation

Any capitalized terms used herein without definition shall have the meaning assigned to it under the CA.

1.0 Roles and Responsibilities of Canada and the Recipient

The CA will be managed in collaboration between INFC, Ontario, Toronto and the Recipient. For the purposes of the OC, only INFC and the Recipient will be a party. The role of each party is described below.

1.1 Infrastructure Canada (INFC)

The Minister of Infrastructure and Communities is responsible for the overall management of federal infrastructure programs. Day-to-day responsibilities are carried out on the Minister's behalf by INFC staff. As the official spokesperson for federal infrastructure programs, the Minister provides information to Parliament and responds to inquiries from the public and media. The Minister is also responsible for signing the CA and its amendments.

INFC provides advice and support to the Minister of Infrastructure and Communities. The department's principal roles in infrastructure projects are to review proposals for infrastructure projects to ensure they are financially and environmentally sound; make a financial contribution to such projects; account for the proper expenditure of its contribution; communicate with stakeholders, including Parliament and the public; and oversee the implementation of the CA. It is

responsible for informing the Minister of any risks associated with the project that cannot be resolved by the OC (e.g. major scope changes to the project, etc.) and to making recommendations to the Minister, as required.

In terms of CA implementation, INFC will act as the Federal Co-chair of the OC. INFC makes payments to the Recipient and monitors progress, to support transparency and reflect due diligence.

1.2 Recipient

The Recipient will be responsible for complete, diligent and timely Project implementation, in accordance with the cost provisions and to all other terms of the CA.

The Recipient will assume full responsibility for the operation, maintenance and repair of the infrastructure investment that is the subject of the CA, as per appropriate standards and for the full lifecycle of the infrastructure.

(Recipient may wish to add to this)

2.0 Oversight Committee (OC)

The OC's main role is to ensure that the terms and conditions (and other affiliated documents) set out in the CA are satisfied.

In order to meet its obligations and accountabilities, the OC must implement the necessary governance structure, outlined in Section 2.1 of these guidelines, and perform the tasks that are required to:

- Ensure that all the obligations inherent to the CA are met by all parties;
- Inform and be informed in a timely manner on all aspects that may impact the Project's objectives (scope, time, budget); and
- Have discussions and make recommendations and see to their implementation and follow-up.

The OC's key duties are:

- a) monitor the progress and the payment for the Project;
- b) act as a forum to resolve potential issues and address concerns;
- c) monitor compliance with the terms and conditions related to INFC's contribution to the Project;
- d) review and as necessary, recommend to the Parties amendments to the CA; and

- e) attend to any other function required by the CA in relation to Canada's contribution to the Project, or as mutually agreed to by the Recipient and Canada.

The OC will continue to operate until the Recipient meets all of the project closure requirements outlined in the CA, including any audits, reports and final adjustments.

Note: All information submitted to Canada through the OC is subject to the *Access to Information Act* and the *Privacy Act*.

2.1 Structure

i) OC membership comprises the following:

Co-chairs

- INFC representative
- Recipient representative

Members

- Federal representative
- Recipient representative

Other participants

- Other attendees as requested by the OC Co-chairs. Participation of additional attendees should be approved by both Co-chairs.

The Federal Co-chair and Federal Member are appointed by INFC and announced by letter or by email. Should INFC need to change the appointments, new nominations will be secured and announced by letter or email to the Recipient Co-Chair.

Recipient nomination process to be completed by Recipient. Nomination for these appointments will be provided to the Federal Co-chair by letter or by email before the first official meeting of the OC. Should the Recipient need to change the appointments, new nominations will be secured and provided to INFC.

2.2 Alternates

Co-chairs and Members of the OC may authorize, before a meeting, by letter or by e-mail, an alternate to attend an OC meeting on the behalf of an absent Co-chair or member. A written record of the appointment of the alternate shall be retained in the project files (by means of a note in the meeting minutes, a letter, or e-mail). No party shall be represented by more than one alternate at any single OC meeting.

2.3 Meetings

INFC, in consultation with the Recipient, will determine when a meeting is required.

- a) Notice
The Co-chairs will ensure sufficient notice of upcoming meetings is given to all members.
- b) Quorum
The quorum for any meeting must include the Federal Co-chair and Recipient Co-chair or their alternates.
- c) Request for Meeting
Meetings of the OC may be called at any time by the Co-chairs as required.
- d) Location of Meetings
Unless mutually agreed in advance, the Co-chairs will use their discretion to determine meeting locations. Meetings may be held by teleconference or in person.
- e) Agenda
Both Co-chairs must agree on the agenda for all meetings in advance. The agenda will be issued to OC Members by one of the members.
- f) Chair
The meetings will be chaired by the Federal Co-chair and by the Recipient Co-chair, on an alternating basis.
- g) Recommendations
Recommendations of the OC must be unanimous and recorded in the minutes of the meeting.

Recommendations will be confirmed in the official minutes that will follow. In the event that a recommendation of the OC is in doubt, pending publication of the official minutes, confirmation should be solicited from the Co-chairs.

Should a resolution on an issue be required prior to the next OC meeting and it does not prove possible to convene a meeting either by teleconference or in person, email approval of recommendations will be accepted. If a subsequent OC meeting is held, the recommendation should then be recorded in the minutes.
- h) Dispute Resolution
In circumstances where an issue cannot be resolved at the OC level in accordance with relevant section of the CA, the Co-chairs will escalated the issue to Senior Officials.
- i) Minutes
The Federal Co-chair and Recipient Co-chair are responsible for ensuring

minutes are drafted for each OC meeting. Once drafted, minutes will be signed by the Co-chairs and presented at the next meeting so they become official.

3.0 Project Monitoring

A key role of the OC is to oversee the CA and ensure that the Project complies with the terms and conditions of the CA.

The following activities may be reported by the Recipient and monitored by the OC:

- Status of tendering of contracts;
- Project component and/or milestones, their descriptions and timelines;
- Implementation of the project is in accordance with the terms and conditions of the Duty to Consult (DTC), Environmental Assessment (EA), and other provincial, territorial or federal environmental permits, licenses and approvals;
- Actual project costs and INFC's contributions compared to approved annual budget;
- Communications Activities;
- Recipient Progress Reports;
- Audits;
- Ensure implementation of audit recommendations are completed;
- Project risks;
- Review of the reporting schedule, and
- Other special conditions as listed in the CA.

3.1 Risk Management

The OC should review the project risks and related mitigation measures identified in the Recipient Progress Report during the OC meetings.

3.2 Site Visits

INFC and Recipient officials may take part in site visits from time to time to determine the following:

- That the Project is being constructed as described in the CA;
- That any changes to the Project are being implemented in accordance with the CA;
- That the observed progress on the Project is consistent with the claims for payment which have been submitted to INFC;
- That signage is consistent with the Communications Protocol contained in the CA.

4.0 Change Approval Process

a) Changes to the Project

The Recipient will provide INFC with a written request for a change to the Project. If INFC determines that the change has no material impact on the Project's description as per Schedule B (Project Description), INFC can approve or reject the change with the decision being noted in OC minutes.

Should INFC determine that the requested change does have an impact on the Project's description in Schedule B (Project Description), INFC will develop a recommendation to accept or reject the change. INFC will present the recommendation to the Minister of Infrastructure and Communities for a decision and any necessary further action, which may include an amendment to the CA.

b) Changes to Schedule B.2 (Project Cash Flow)

Schedule B.2 (Project Cash Flow) of the CA should evolve with the life of the Project and be updated at least once a year. When there is a change to Schedule B.2 (Project Cash Flow), INFC will do its best to accommodate the Recipient.

5.0 Reports

The Recipient must submit the Progress Reports and the Project Summary Reports as per Section 6.1 of the CA.

6.0 Audit Plan

If an audit plan is required, it will be discussed at the first OC meeting.

The Audit Plan will include timelines for submission of the audits required and audit follow-up reports. The Recipient will provide the OC with the findings of all audits. If an audit recommends the Recipient to undertake any follow-up actions, this report will outline what the Recipient has undertaken to address the audit's recommendations and results.

The OC will ensure that all required audits, as outlined in the Audit Plan and the CA, are completed and that any concerns identified in the audits are addressed.

7.0 Payment Process

In general, the Co-chairs of the OC are responsible for administering the CA for the project. Therefore, they are responsible for ensuring the accuracy of financial data, particularly with respect to ensuring that project costs are eligible and reasonable and providing timely and accurate information pertaining to the project's cash flow and budget (forecasting potential cost-overruns or future budget issues). The OC should be informed of any concerns regarding the payment process.

INFC will validate the progress claim, ensure that the following conditions are satisfied and arrange for payment:

- The claim is for Eligible Expenditures that are incurred and paid as defined in Schedule A (Eligible and Ineligible Expenditures)
- a breakdown of Eligible Expenditures of INFC claimed by Project component in accordance with Schedule B.2 (Project Cash Flow) and Schedule B.3 (Project Cost Breakdown) of the CA;
- Payments are limited to Eligible Expenditures incurred by the Recipient after the date of cost eligibility indicated to the Recipient by the Minister and before the Project Closure Date;
- The claim is in accordance with the approved Schedule B (Project Description) of the CA and a revised Schedule B (Project Description) has been submitted, if necessary;
- The claim is consistent with the description provided in the Progress Report and progress observed through site visits where appropriate;
- The claim is supported by appropriate invoices and/or justification documents;
- The Progress Reports have been received on time and approved by INFC;
- The amounts claimed do not exceed the Eligible Expenditures for the Project; and,
- There are no other reasons that prohibit payment as per the CA.

Should any of the conditions listed above not be satisfied, INFC and the Recipient will undertake any necessary action (e.g. provide additional information or justification) to attempt to resolve any issues regarding payments. To facilitate the claims process for the Recipient, INFC will provide a guide to submitting claims that outlines all requirements for having claims approved in a timely manner. Upon request, INFC can set up one-on-one training on the claims process and tools.

8.0 Environmental Management/Duty to Consult

The Recipient will be informed by INFC through a letter of any federal requirements under the *Canadian Environmental Assessment Act, 2012* (CEAA 2012) or if there is a duty to consult with and accommodate Aboriginal groups. This letter will be issued by the Aboriginal Consultation and Environmental Services of INFC shortly after the Minister's approval of the project. Federal EA requirements include projects designated under the *Regulations Designating Physical Activities* of CEAA, 2012, for which an EA would be required, or more commonly, projects on federal lands that require an Environmental Effects Evaluation under s.67 of CEAA, 2012.

INFC will monitor the progress of any outstanding consultation or accommodation activities with Aboriginal groups and CEAA 2012 requirements. If applicable (as stated in the letter outlining CEAA 2012 and AC requirements), INFC will request evidence that CEAA, 2012 requirements have been met and evidence of Indigenous consultation and accommodation activities have occurred. If the DTC has been addressed by another Federal/Provincial department in the context of issuing a permit/license/authorization etc. The Recipient will ensure that construction does not begin prior to written confirmation from INFC these requirements have been met.

If there are no formal requirements, INFC and the Recipient will bring to the attention of the OC any environmental issues or issues raised by Aboriginal groups that could interfere

with or delay the implementation of the project and, as appropriate, will work together to assist in the resolution of these issues.

9.0 Joint Communications

The Recipient and INFC shall ensure to follow the communication requirements as outlined in Schedule H (Communication Protocol) of the CA.

9.1 Communications with the Public

The OC is responsible for ensuring that all communications related to Project provide for equal recognition of all funding partners. This applies to signs on the Project site and any public announcements related to the Project. In addition, all public information must be in both official languages and must comply with the CA signed by INFC and the Recipient.

The Recipient and INFC should provide the OC with advance notice of planned Joint Communication events.

10.0 Project Closure

Once the Project is complete, all relevant information has been received from the Recipient, and all outstanding items have been dealt with, the Project can be closed. The OC's involvement in the closure stage will last as long as it is needed. INFC will provide a project closure guide to be followed by all parties.

Oversight Committee Disbandment

When all closure duties and deliverables have been completed, the OC can be disbanded. This can take place by e-mail, letter or by teleconference by the OC Co-chairs. After the OC's disbandment, the Recipient is responsible for the long-term monitoring of the Project, including possible plans regarding the disposal of its assets, in accordance with the surviving clauses of the CA, and the fulfillment of any other applicable surviving clauses.

APPENDIX A - Agenda Items for OC Meetings

The following are suggested agenda items for the OC meetings. Although all of the items will not be addressed at each OC meeting, they should all be addressed at some point during the OC's life.

First Meeting	Every Meeting	Meetings as required	Project Closure (if required)
<ul style="list-style-type: none"> • Terms and conditions of the CA • Claims procedure and service standard (required) • Audit Plan • Contracting • Risk Management • Oversight Committee Guidelines 	<ul style="list-style-type: none"> • Note taker • Alternates attending and/or voting on member's behalf (if applicable) • Approval of OC minutes • Progress Reports: <ul style="list-style-type: none"> ○ Update on project status, completed activities and components and/or milestones. ○ Project schedule and any variances. ○ Schedule B.2 (Project Cash Flow) and cash flow forecast ○ Critical issues / decisions pending or implementation of risk management plan. ○ Environmental issues and compliance. • Claims Report • Risk Monitoring • Communications 	<ul style="list-style-type: none"> • Financial Audit • Progress Report • Audit Plan • Communication Plan and activities • Compliance Audit • Plan to address audit recommendations • Project scope modifications • Report on implementation of audit recommendations • Site inspections and reports 	<ul style="list-style-type: none"> • Final claims • Declaration of Completion Form • Project closure • Program evaluation • Oversight Committee Disbandment

CHERRY STREET STORMWATER AND LAKEFILLING PROJECT

Waterfront Toronto

THE PROJECT

The project is receiving \$32.5M (50% of project) from the Clean Water and Wastewater Fund. Infrastructure Canada has yet to receive a claim for this project.

With construction starting in December 2017, the project is creating new landmass by lakefilling around the Essroc Quay to stabilize the shoreline. The current dockwall is at risk of collapsing under flooding conditions so the infilling will aid in safely conveying increasing storm and flood waters. The project will improve water quality, optimize water and storm infrastructure, and create new naturalized open spaces and aquatic habitat. This will ultimately form part of Promontory Park - a component of the Port Lands Flood Protection project. The expected completion date for this project is March 2019.

A dashboard developed by the Recipient, Waterfront Toronto (WT), outlining the Project components, budget and schedule has been provided in Annex A.

UPDATE:

As of August 29, 2018 construction for Cherry Street Lake filling is approximately 55% complete. Installation of dockwall and sheetpiles on the North side of of Essroc Quay is complete. 148,000 metric tonnes of core stone has been put in place. Procurement of RFPs for supply of armour stone and laboratory testing have closed. Work that is ongoing:

- Stakeholder management, communicating, and reporting;
- Lake filling and Combi-wall construction;
- Core stone delivery and placement;
- Shaping and grading core stone.

RISK:

A detailed Risk Register has been developed for the project, and continues to be updated and monitored by Waterfront Toronto staff. The one risk identified is the settlement of the core stone which is being closely monitored. This is to ensure the stone is compressed, settling correctly and is stable.

COMMUNICATIONS, PUBLIC AND STAKEHOLDER RELATIONS:

- June 27, 2018 - Landowner and User Advisory Committee meeting;
- July 18, 2018 - Public Meeting;
- Communications with the Mississaugas of Scugog Island First Nation have been initiated;
- Communications with the Mississaugas of New Credit First Nation continue;
- The new website (www.PortLandsTO.ca) is now live and includes up-to-date information about construction.

Included is the Cherry Street Dashboard provided to Infrastructure Canada by Waterfront Toronto.

**Pages 495 to 496
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of the *Access to Information Act***

**Les pages 495 à 496
Font l'objet d'une exception totale
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de la loi sur l'accès à l'information**

Quayside Update

Inter-Governmental Steering Committee Meeting

September 6, 2018

Meg Davis, Chief Development Officer



WATERFRONToronto

DISCUSSION TOPICS



1. MIDP Advancement Plan
2. WT's Goals and Objectives
3. Evaluation Framework
4. Digital Strategy Advisory Panel Update
5. Public Engagement Update
6. Milestone Schedule

1. MIDP Advancement Plan

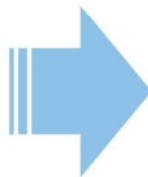
- The PDA has re-defined the roles of WT and SWL and sets the context for the MIDP
- Teams are moving from a phase of **idea gathering** into **planning and evaluation**
- We are implementing the refined work structure for the successful completion of the MIDP

ACTIVITY	DETAIL	STATUS
PROJECT STRUCTURE	Established Project Management Committee Established Roles and Responsibilities Created Project Charter	COMPLETE
GOALS & OBJECTIVES SETTING	Reaffirming WT's Goals and Objectives based on RFP and WT mandate (e.g., job creation, climate change, affordability, mobility etc.)	In Progress PROJECTED COMPLETION Sept 2018
EVALUATION FRAMEWORK	Will include qualitative and quantitative measures Arup developing metrics for measurement Independent peer review	In Progress PROJECTED COMPLETION Nov 2018

2. Refined Goals and Objectives Setting

WT has taken a ground up approach, linking **our Corporate Objectives, RFP Objectives, detailed WT Pillar Priorities and key Government Policy Objectives** culminating in a list of priority targets that will be refined and enhanced through a due diligence process and metrics exercise underway for WT by ARUP.

- WT Corporate Objectives
- RFP Objectives
- WT Pillar Priorities
- Government Policy & Strategy Review
- Arup Due Diligence and Metrics work



Refined Goals and Objectives

- Forms a key element of the Evaluation Framework
- Reinforces WT as steward and revitalization lead
- WT defines the “what”, SWL derives the “how”
- Projected Completion **Sept 2018**

3. Evaluation Framework

WT is working on creating an Evaluation Framework:

- Robust evaluation process that will clearly show how the MIDP meets our goals and objectives, while properly considering the development plan and pro forma analysis
- Supported by a Peer Review that will offer a 3rd party assessment across the entire scope of the MIDP

Comprised of:

1. **Goals and Objectives**
Qualitative and Quantitative Measures
2. **Development Plans**
Qualitative Measure
3. **Pro-Forma**
Quantitative Measure
4. **Peer Review**
3rd party verification



Evaluation Framework

- Integral to the evaluation of the MIDP
- Gives confidence to the Board, Governments and community on evaluation of MIDP
- Projected Completion **November 2018**

4. Digital Strategy Advisory Panel (DSAP) Mandate



The mission of the DSAP is to provide objective, professional advice to ensure that ethical use of technology, accountability, transparency, protection of personal privacy, data governance, cyber security together with the opportunity for broad and equitable benefits to be accrued from the intellectual property and data, are addressed in a robust way to encourage innovation and economic development and preserve the public good.

Participants:

- Interim Chair: Michael Geist, Canada Research Chair in Internet and E-commerce Law, University of Ottawa
- Currently 14 members: industry, legal, academic
- External legal counsel for Waterfront Toronto participates as appropriate:
 - Chantal Bernier (Dentons)
 - George Takach (McCarthy Tetrault)
- Management liaison: Kristina Verner, VP, Innovation, Sustainability & Prosperity

4. DSAP Meetings 2 & 3

DSAP meetings since last IGSC:

Meeting #2 (Closed Session – June 25, 2018)

- Advisory discussion on the Guiding Digital Principles and Intellectual Property schedules of the PDA

Meeting #3 (Open Session – August 16, 2018)

- Discussion on mandate, 2018-2019 Panel Workplan and general Panel Governance issues.

Upcoming Meetings:

Meeting #4 (Mid-September 2018)

- Based on the Principles contained in the PDA discuss review of the MIDP
- Sidewalk Toronto Responsible Data Use Framework
- Materials for October 3, 2018 Civic Lab and finalization of the Panel's workplan for 2018

Meeting #5 (October 18, 2018)

- Debrief from October 3, 2018 Civic Lab and Materials for November 7, 2018 Civic Lab
- MIDP – Outline for the Digital Platform, Privacy and Data Governance segments

4. Civic Labs

Purpose:

- To encourage feedback from the broader community and provide access to expert voices in the key areas of concern, including, but not limited to: privacy, data localization, de-identification, consent, and data ownership.
- To increase understanding of the role and work of the Waterfront Toronto DSAP.
- To build awareness of the guiding digital principles defined in the PDA and contextualize the proposed *purposeful solutions* through these principles.

Proposed Dates:

- Session 1: October 3, 2018 - *Digital Principles Consultation*
- Session 2: November 7, 2018 - *Privacy, Algorithmic Transparency and broader ethical issues*
- Session 3: December 5, 2018 - *Data Ownership, Business Models, and IP*

Potential Session Collaborators:

- Code4Canada, Ryerson University, MaRS Solution Labs, Evergreen Canada

We would like to have active government participation in each of these sessions.

5. Communications and Public Engagement Update



Plan Development Agreement (PDA): Executed on Communications Strategy

- PDA approved by Board of Directors and released publicly together with the initial Framework Agreement (now superceded) on July 31st
- Invited select media outlets for interviews with senior leadership to ensure clarity of messaging and accuracy of reporting
 - Total of seven interviews, including: The Toronto Star, The Globe and Mail, Spacing, The Wall Street Journal, The Logic
- Achieved desired objectives, including:
 - Providing clarity and assurance around Waterfront Toronto's role in the project,
 - Demonstrating that Waterfront Toronto is acting in the public interest, and
 - Clarifying misconceptions

5. Communications and Public Engagement Update

Public Engagement:

- Roundtable #3 – August 14/15: public realm, streets, mass timber
 - Attendance: more than 400 people participated in-person, another 5,300 participated online
 - Summary Feedback Report being prepared
 - Next Roundtable: December 1, 2018 (TBC)
- Design Jams (Charrettes):
Participation by invitation, including project team members (and consultants), theme-related subject matter experts, and multi-generational community members
 - September 17: Vertical Living: How do we build great communities?
 - September 18: Water Connections: How do we bring the waterfront to life?
 - September 19: People on Wheels: How do we improve the ways we move around our city?

6. Milestone Schedule

PERIOD	SEP 2018	OCT 2018	NOV 2018	DEC 2018	Q1 2019	Q2 2019	Q3 2019
MILESTONE	Goals and Objectives Completed			RT #4	Draft MIDP: consultation and review RT #5	Final MIDP BIP Completed PIA Completed	
Meetings	IGSC Quarterly Meeting IREC: Sept 13 DSAP: mid Sept	PROPOSED IGSC – Quayside specific Board: Oct 11 IREQ: Oct 16 DSAP: Oct 18 DRP: Oct 24	IREQ Nov 22	IGSC Quarterly Meeting (TBC) Board: Dec 6 IREQ: Dec 11 DRP: Dec 12 DSAP: Dec 13	TBD	TBD	TBD
PROPOSED IGSC Content for Feedback	Progress Update	-Goals and Objectives -Items as elevated by PMC	-RT #4 Content	-Evaluation Framework	-Draft MIDP -Draft BIP -Draft PIA -MIDP Feedback	FINAL MIDP	TBD
PROPOSED Gov't agency interaction	-City Secretariat -Depts. ongoing	City Secretariat -Depts. ongoing	City Secretariat -Depts. Ongoing	City Secretariat -Depts. Ongoing	TBD	TBD	TBD

Waterfront Toronto Five Year Strategic Business Plan

Inter-Governmental Steering Committee Meeting

September 5, 2018

Marisa Piattelli, Chief Strategy Officer



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Waterfront Toronto Five Year Strategic Business Plan



- This year Waterfront Toronto is legislatively obligated to deliver a five-year business plan (Strategic Plan) covering the fiscal periods 2019/20 to 2023/24, with a five year outlook to 2028.
- A separate one year Corporate Plan for 2019/20 is not required as this will form part of the Strategic Plan.
- A draft plan is expected to be shared with governments in early October, 2018.
- Board approval of the Strategic Plan is required by December 31, 2018 and is planned on December 6, 2018.

Draft Table of Contents



- PART 1:

- Opening Narrative
- Purpose of the Document
- Waterfront Toronto's Unique Mandate
- Progress to Date & Learnings
- The Next Five Years – Aspirational Goals
- Limitations and Challenges
- WT Statement of Intent

- PART 2:

- Vision for Toronto's Waterfront
- Understanding the Ecosystem
- Waterfront Toronto's Role
 - Master Planner
 - Master Developer
 - Trusted Innovation Partner
 - Capital Connector
- WT's Broader Ambitions
- Business Model Definition
- Key Enablers to Success
- Risks and Consequences

- PART 3:

- Five-Year Priorities & Financial Details
 - Development Context & Pace
 - Quayside
 - Port Lands Flood Protection
 - Public Places
 - Eastern Waterfront Transit
 - Complete Communities (e.g. Bayside, Villiers Island)
- 5 Year Performance Metrics

- PART 4:

- Corporate Plan 2019/20
 - Business Context for 2019/20
 - Corporate Culture & Leadership (e.g. diversity and inclusion)
 - 2019/20 Priorities
 - Capacity / Competency Needs
 - Infrastructure Needs
 - R&D Undertakings
 - Board of Directors
 - Management Team
- 2019/20 Financial Plan & Budget
- Performance Metrics
 - Economic Impact Measures
 - Societal Impact Measures
 - Sustainability Measures
 - Public Trust Measures
 - Partnership Measures
 - Operating Measures
 - Financial Measures
 - Project/Portfolio Measures

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Waterfront Toronto Financial Update

Inter-Governmental Steering Committee Meeting

September 5, 2018

Lisa Taylor, CFO



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Financial Update Agenda



- 2017/18 Annual Report and Audited Financial Statements
- 2018/19 Corporate Plan Performance
- Waterfront Toronto Portfolio Dashboard
- Borrowing Update
- Extension of Borrowing Consent
- Provincial Audit Update
- Enterprise Resources Planning (ERP) System Update

2017/18 Annual Report & Audited Financial Statements



- Audited Financial Statements for year ending March 31, 2018:
 - Clean, unqualified audit opinion and no matters of concern reported by our external auditors (BDO LLP) to our Finance, Audit & Risk Management Committee;
 - Approved by the Board of Directors June 28, 2018;
 - Provided to governments June 28, 2018 and published on our website prior to June 30, 2018 (in compliance with TWRC Act).
- 2017/18 Annual Report
 - Key component of our Financial Planning and Reporting Framework;
 - Provides the formal report back on the achievement of our 2017/18 Corporate Plan;
 - Invested just under half of our Capital Investment Plan for the year (\$76M vs. plan of \$162M) and achieved 76% of our key deliverables;
 - Achieved significant progress building our capacity as an organization.
 - Includes summary information from the audited financial statements;
 - Published on our website in July 2018.



2018/19 Corporate Plan Performance



Progress with respect to the Corporate Plan is monitored and formally reported to Waterfront Toronto's Finance, Audit and Risk Management Committee (FARM) and Board on a quarterly basis.

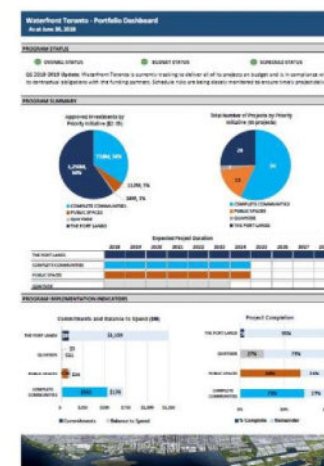
The first quarterly report on the 2018/19 Corporate Plan will be provided on Sept 20, 2018 and Oct 11, 2018, to FARM and Board respectively.

This will report on the progress of our \$325 million 2018/19 budget as well as related funding and deliverables in a new dashboard format.

The progress report and new dashboard format will be provided at the next IGSC meeting.

Waterfront Toronto Portfolio Dashboard

- At the May 10, 2018 IGSC meeting, the IGSC requested that Waterfront Toronto provide a portfolio-wide dashboard.
- Attached (Appendix 1) is the preliminary portfolio-wide dashboard which is subject to input from IGSC as well as the FARM Committee and Board.
- This dashboard is designed to give stakeholders an “at a glance” understanding of:
 - Overall portfolio risk status (green, orange, red)
 - Volume and magnitude of projects under management
 - Percentage of project completion for each priority initiative
 - Commitments and balance to spend for each priority initiative
 - Project risk status (green, orange, red) for each priority initiative
 - Key project components within each priority initiative; and
 - Expected project duration (schedule) for each priority initiative.



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Enterprise Resource Planning (ERP) Update



- Implementation of Microsoft Dynamics 365 (D365) is currently on track to go-live on September 30, 2018 (previously June/July, 2018).
- The 2-3 month deferral is due to more complex business process requirements together with constrained staff resources. The new date allows adequate time for staff training post the summer vacation period.

- Waterfront Toronto has been subject to a value for money audit by the Office of the Auditor General of Ontario since January, 2018;
- A consolidated Factual Clearance document containing 149 statements as well as eight tables and six appendices was received by Waterfront Toronto and Ontario MOI on August 24, 2018 and is due back to the OAG Sept 7, 2018;
- Waterfront Toronto will schedule an Exit Meeting with the OAG within the next two weeks to discuss the Factual Clearance document;
- A draft report, including recommendations, is expected late Sept/early Oct, 2018;
- The final report will be published by the OAG in early December, 2018.

Appendix 1

Program Portfolio Dashboard – September, 2018

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Waterfront Toronto - Portfolio Dashboard

As at June 30, 2018

PROGRAM STATUS

OVERALL STATUS

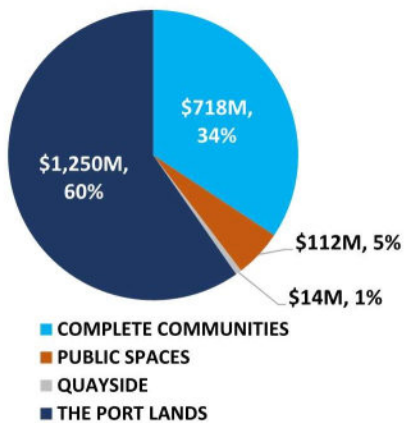
BUDGET STATUS

SCHEDULE STATUS

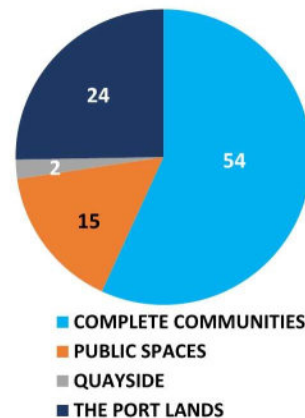
Q1 2018-2019 Update: Waterfront Toronto is currently tracking to deliver all of its projects on budget and is in compliance with its contractual obligations. Schedule risks are being closely monitored to ensure timely project delivery.

PROGRAM SUMMARY

Approved Investments by Priority Initiative (\$2.1B)



Number of Projects by Priority Initiative (95 projects)



Expected Project Duration

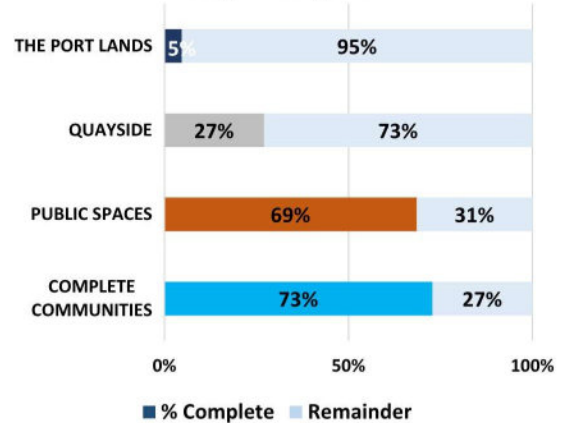


PROGRAM IMPLEMENTATION INDICATORS

Commitments and Balance to Spend (\$M)



Project Completion

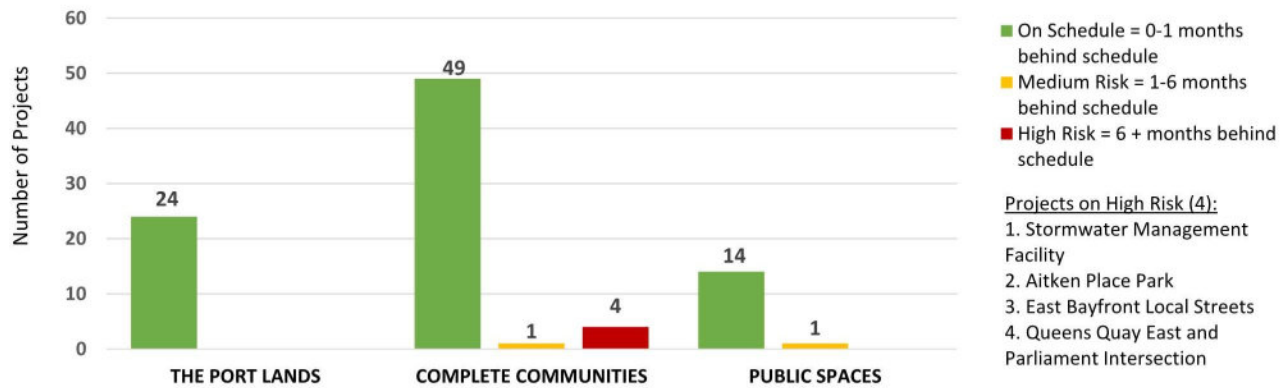


Waterfront Toronto - Portfolio Dashboard

As at June 30, 2018

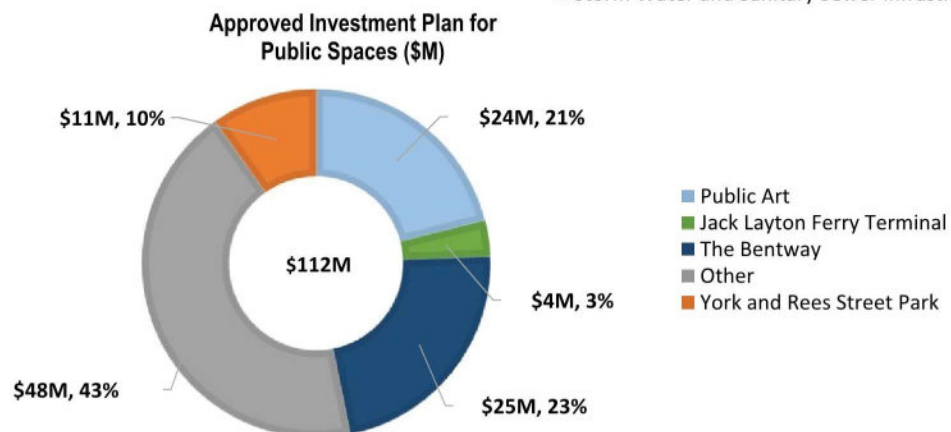
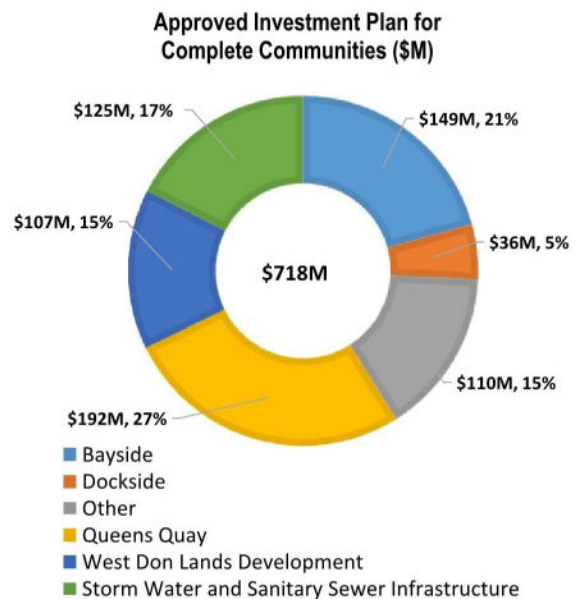
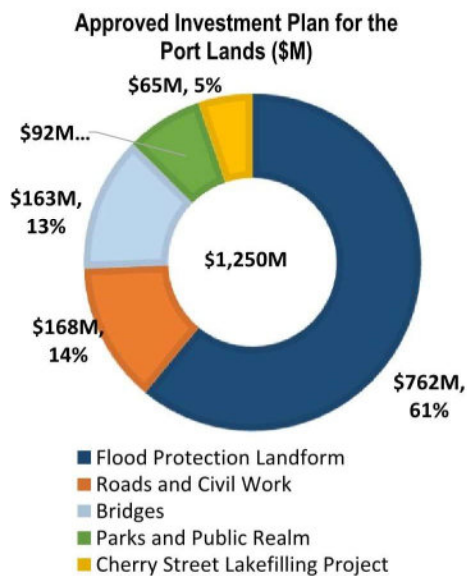
PROGRAM RISK STATUS

Project Schedule Risk Status (93 projects)



Note: Quayside project risks will be reported in the next version of the Portfolio Dashboard.

INVESTMENT BY PRIORITY INITIATIVE



August 28, 2018

To: Toronto Waterfront Revitalization Initiative IGSC Members

Re: Waterfront Toronto ERP Implementation and Government-Led Audit

Waterfront Toronto (WT) has retained ThinkMax Technology consultancy to assist with implementing Microsoft Dynamics D365, an accounting software solution that centralizes financial records online and simplifies how companies present financial and performance data. Referred to as an Enterprise Resource Planning (ERP) approach, the purpose of the accounting software platform is to automate WT's internal and external reporting processes using standardised templates that will eliminate the need for WT to manually tabulate project details. Updating WT's accounting platform has been of longstanding interest to the government partners and is reinforced by the need to track Port Lands Flood Protection expenditures back to the 2016 Due Diligence report.

Microsoft Dynamics D365 is an "off the shelf" accounting solution and ThinkMax Technologies has arranged a series of weeklong conference room pilots with WT to test how the platform aligns with WT's needs/practices and to change WT practices or customize the software as necessary. All of WT's projects will be tracked on the new platform, including Port Lands Flood Protection, and the system is expected to "go-live" in October 2018.

Given the need to successfully launch the new accounting platform, as well as the high profile nature of Flood Protection, the IGSC endorsed a government-led audit of ERP development and implementation (see January 2018 IGSC Agenda Item #6 – 2018 Audit Plan). The City is project managing the government-led audit and Ernst and Young LLP (EY) is performing the audit. The audit will provide the government partners with an opportunity to assist WT in shaping how the platform functions and key questions the government partners can help address include:

- How does the software address in-scope areas of interest (e.g. finance, IT controls, labour cost allocations, and project controls and reporting standards)?
- Does the software's design meet the needs of the in-scope areas?
- Are the in-scope areas of the software ready to be implemented?
- Did the accounting software achieve its objectives?
- What are the lessons learned?

A total of three conference room pilots have been scheduled as part of ERP development. EY attended the second pilot in May and the third pilot is scheduled for September. The City will share the results of these conference room pilots with the government partners throughout.

Sincerely,

David Stonehouse, Director, Waterfront Secretariat
416-392-8113

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Font l'objet d'une exception totale
conformément aux dispositions des
paragraphes
14(a), 21(1)(a) et 21(1)(b)
de la loi sur l'accès à l'information**



PROTECTED B

BRIEFING NOTE TO THE MINISTER

UPDATE ON WATERFRONT TORONTO AND QUAYSIDE PROJECT

(For Information)


PURPOSE

- To provide an update on Waterfront Toronto and Sidewalk Lab's progress towards a Quayside project proposal.

HIGHLIGHTS/KEY CONSIDERATIONS

- Waterfront Toronto (Waterfront) and Sidewalk Labs (Sidewalk) are working in partnership to develop a proposed Master Innovation and Development Plan for the Quayside project.
- The Plan, which Waterfront and government partners have not yet seen, will likely comprise three volumes centered around:
 - Infrastructure and real-estate development plans at different scales;
 - Various innovative solutions for deployment in the project; and,
 - Roles and responsibilities, business terms, and financial/commercial considerations.
- Waterfront is expecting to receive the Plan in March. The timing of a public release by Waterfront is shifting and will depend on when they receive the Plan and deem it ready for broad review. There is a question as to whether governments will see the Plan only at the same time as it is released publicly.
- In the meantime, to help inform development of the Plan, Waterfront and Sidewalk have been undertaking broad consultation with the public and external experts. Government partners have attended a number of these public engagement events to remain informed on the process as it has been unfolding.
- Waterfront and Sidewalk have also provided context briefings to the three orders of government which have similarly previewed elements of the Plan. These have touched upon Sidewalk's thinking around affordable housing, mobility public realm, buildings, sustainability, economic development and data governance.
- [REDACTED] This material included some preliminary ideas around business and financing models that Sidewalk is exploring for the development of Quayside.

PROTECTED B

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- Waterfront is looking at ways to evaluate the Plan once it is received, both for itself as well as the public, including with respect to adherence to the objectives set out in the original RFP and the Plan Development Agreement that followed.
 - At a December 2018 Public Roundtable, Waterfront previewed its proposed evaluation framework. This illustrated how they might look at key aspects of the Plan, such as procurement, funding & financing, data governance, required government approvals, and alignment with their main objectives for Quayside. The framework continues to evolve as Waterfront seeks external expertise and advice.
 - Government partners are also determining their respective approaches to reviewing the Plan and how to support Waterfront in its evaluation in advance of the Plan going to Waterfront's Board for approval. As the Quayside proposal is just a plan, any individual components ultimately approved for implementation will be subject to multiple City planning approvals in particular, as well as provincial/federal regulations as appropriate.

KEY BACKGROUND

- In 2017 Waterfront ran an RFP process seeking an Innovation and Funding Partner to help create a plan for a neighbourhood of the future. This led to the eventual selection and later signing of the (publicly available) Plan Development Agreement with Sidewalk Labs, which sets out objectives and basic terms and principles for developing a plan for Quayside on a specific 12-acre site, and allows some scope to offer ideas for plans "at scale".
- Governments have encouraged Waterfront and Sidewalk to be highly attentive to public consultation, transparency and outreach during the planning phase and to establish appropriate bodies to provide guidance, such as the arms-length Digital Strategy Advisory Panel that is currently in place. Waterfront must also ensure that the Plan is meeting the terms of its own RFP process, and identify things being proposed that may require policy changes by the three orders of government.
- INFC has been working closely with Innovation, Science and Economic Development (ISED) to leverage their expertise with respect to data governance and privacy. ISED has been kept regularly informed of Quayside developments and invited to various public engagement events. The results of the National

Consultation on Digital and Data Transformation, led by Minister Bains, are expected to shape the Government of Canada's review of the tech aspects of the Plan.

NEXT STEPS

- Infrastructure Canada will continue to support Waterfront Toronto through this process and engage with them on key aspects of the Plan as it comes together.
- The Department stands ready to receive and share horizontally the Plan and provide you with an overview once we receive it.
- We will keep you apprised of public review outcomes and Waterfront's timeline for bringing the Plan forward to its Board for consideration.

Kelly Gillis
Deputy Minister
Infrastructure and Communities

Date

Attachments:

Annex A – Project Update, February 14, 2019 (Sidewalk Labs)



Project Update

February 14th, 2019



This document represents concepts and proposals developed by Sidewalk Labs in consultation with a variety of stakeholders, to be included in the DRAFT Master Innovation and Development Plan (MIDP) to be submitted to Waterfront Toronto. However, all such concepts and proposals are subject to approval by many of those same stakeholders, including but not limited to public entities, and Alphabet Inc.

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Key Objectives

Waterfront Toronto, the three levels of government, and Sidewalk Labs have certain objectives that must be aligned in order to unlock the Eastern Waterfront and enable the city to realize the area's untapped potential.

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What We've Heard: Policy Objectives

- **Strong economic growth and thousands of new jobs** while protecting existing industries in the Eastern Waterfront, including film
- **Substantial increase** in affordable housing
- **A series of other public policy outcomes** to address certain urban challenges, including sustainability and congestion

What We've Heard: Deal Objectives

- **Build off success**—prove the model
- **Adequate government control** to ensure the best outcomes for citizens
- **Ensure the local development community** plays a prominent role in developing the Eastern Waterfront
- **Appropriate standard** for data and privacy

Sidewalk Labs Objectives

- **Sufficient scale** to achieve its objectives and prove the ability of its approach to positively impact urban quality of life
- **Adequate return** on its investment

What Sidewalk Can Uniquely Bring

Sidewalk was formed to function at the intersection of urban planning, technology, and policy. The team we have brought together and the operating model we have developed reflect a unique set of capabilities.

Approach to Innovation, incorporating both physical planning and a technology roadmap, that includes a series of key innovations and technologies while creating the conditions for others to build on

Investment in Economic Development

including the catalytic impact of Google jobs, and support for an urban innovation cluster

Patient Capital that has a different return profile and objectives than both traditional real estate and traditional venture investing, enabling more robust R&D than typical urban development

Innovative Infrastructure Financing that fills a gap in the capital markets, and creates a path for infrastructure delivery that both proceeds at a rapid pace and achieves ambitious sustainability and quality of life goals

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Sidewalk as Catalyst

Sidewalk Labs aims to fill gaps that the public and private sectors are currently unable to fulfill themselves, to help deliver a series of outcomes that meet the shared objectives of all stakeholders. This reflects the feedback we have received from stakeholders in Toronto—to act as catalyst and do the minimum amount necessary for the project to flourish while creating the conditions for others to build on.

SIDEWALK LABS

Innovation Proofs of Concept

on a new set of programmatic opportunities and technologies, including buildings, by taking the initial risks that run counter to current market forces.

A New Economic Engine for Toronto

catalyzed by a commitment of Google Jobs and the seed funding for an Urban Innovation Institute, that becomes the home of a global cluster in urban innovation.

A New Standard for Affordable Housing

that serves the need of a more diverse set of residents and enables more inclusive mixed-use communities.

A New Standard for Data and Privacy

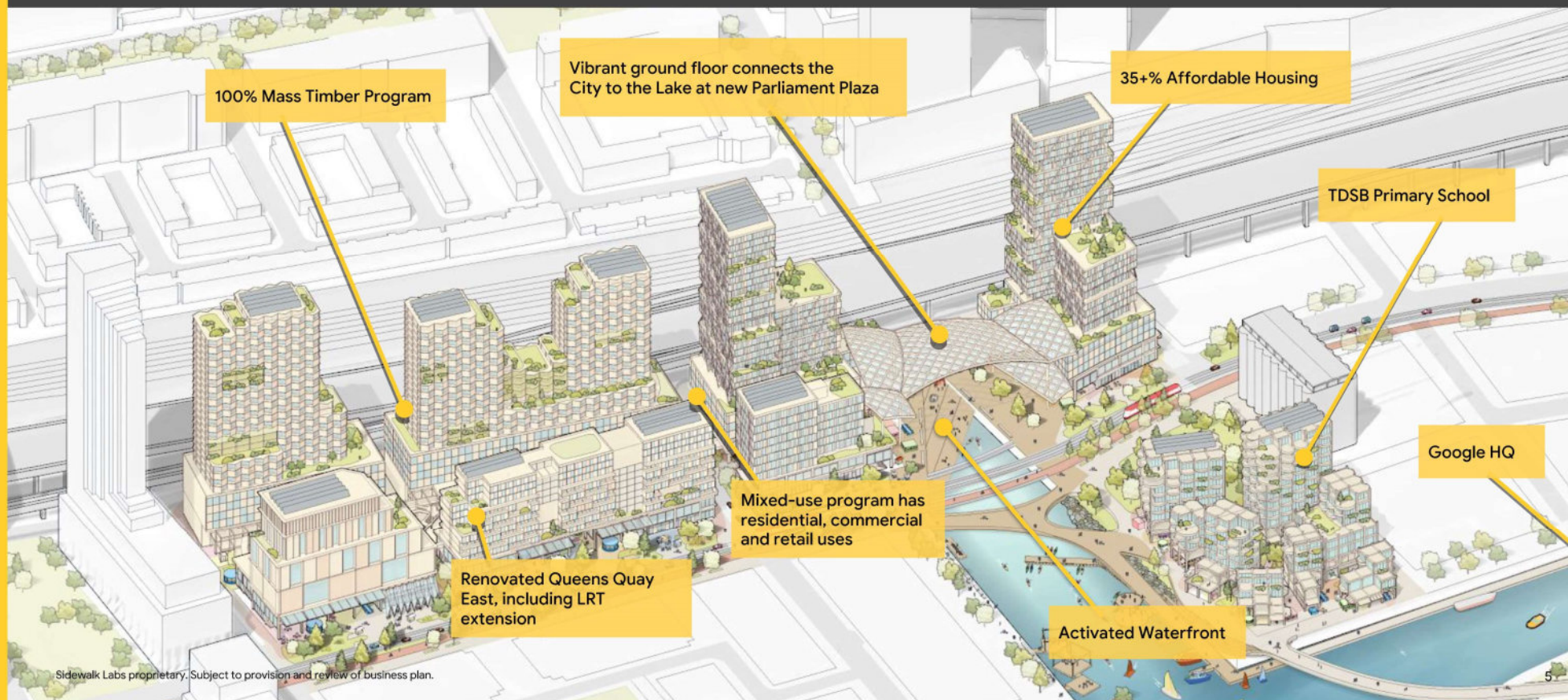
including the establishment of an independent Civic Data Trust, which we hope will serve as model of urban innovation around the world.

Enabling Infrastructure

including LRT and next generation district utility systems, spurring outsized impact on quality of life, accelerating development, and creating more robust economic growth.

New Approaches to Urban Development

Quayside will be the beginning of a new approach to urban development on Toronto's Eastern Waterfront that sets a new standard for urban development in the 21st century.



Starting the Path to Climate Positive

At Quayside, Sidewalk Labs will invest in a series of innovations that drastically reduce the level greenhouse gas (GHG) emissions, enable smarter management of resources, and reduce the cost of future upgrade and maintenance to the system.

Cradle to Cradle

Building materials will be cradle to cradle certified, creating a more sustainable system of buildings, today and in the future

Advanced Power Grid

Photovoltaic panels, battery storage and advanced energy management offer access and control of clean energy sources for electric power

Smart Waste Management

Increased rates of multi-tenant building composting and recycling through smart waste user interface and conveyance system. Targeting 80% diversion rates vs current 26% in Toronto multi-tenant buildings

Smart Water System

District stormwater system will provide building and ROW retention through green infrastructure in the public realm. Water sensors enable active management for greater resiliency.

Modular Pavement

Easily removable hexagonal pavement enables easy access for quicker, safer maintenance of infrastructure

Thermal Grid

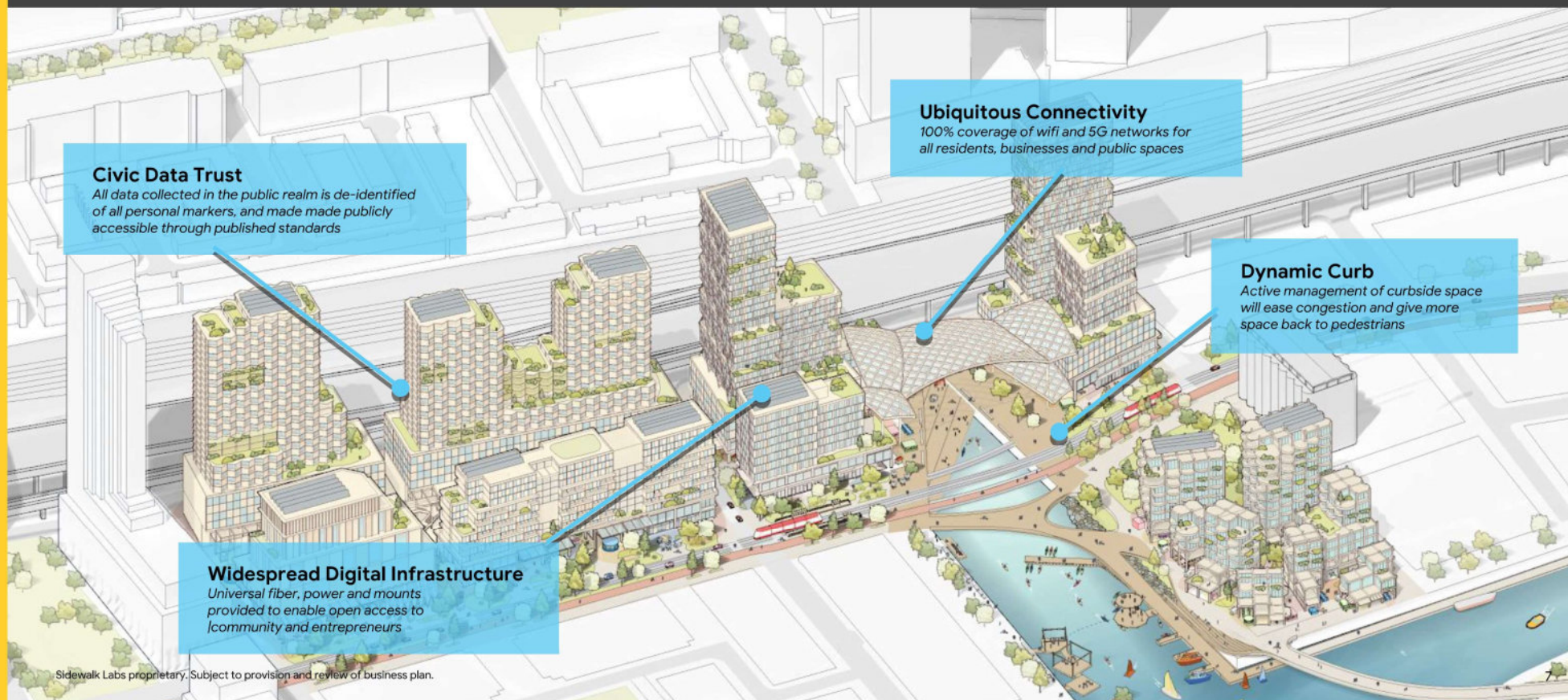
Quayside thermal grid reduces GHG emissions by using clean energy sources such as waste heat and geothermal

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Piloting Digital Innovations

Quayside will be a fully connected neighbourhood and a testbed for digital innovations within Sidewalk Toronto's responsible data use framework.

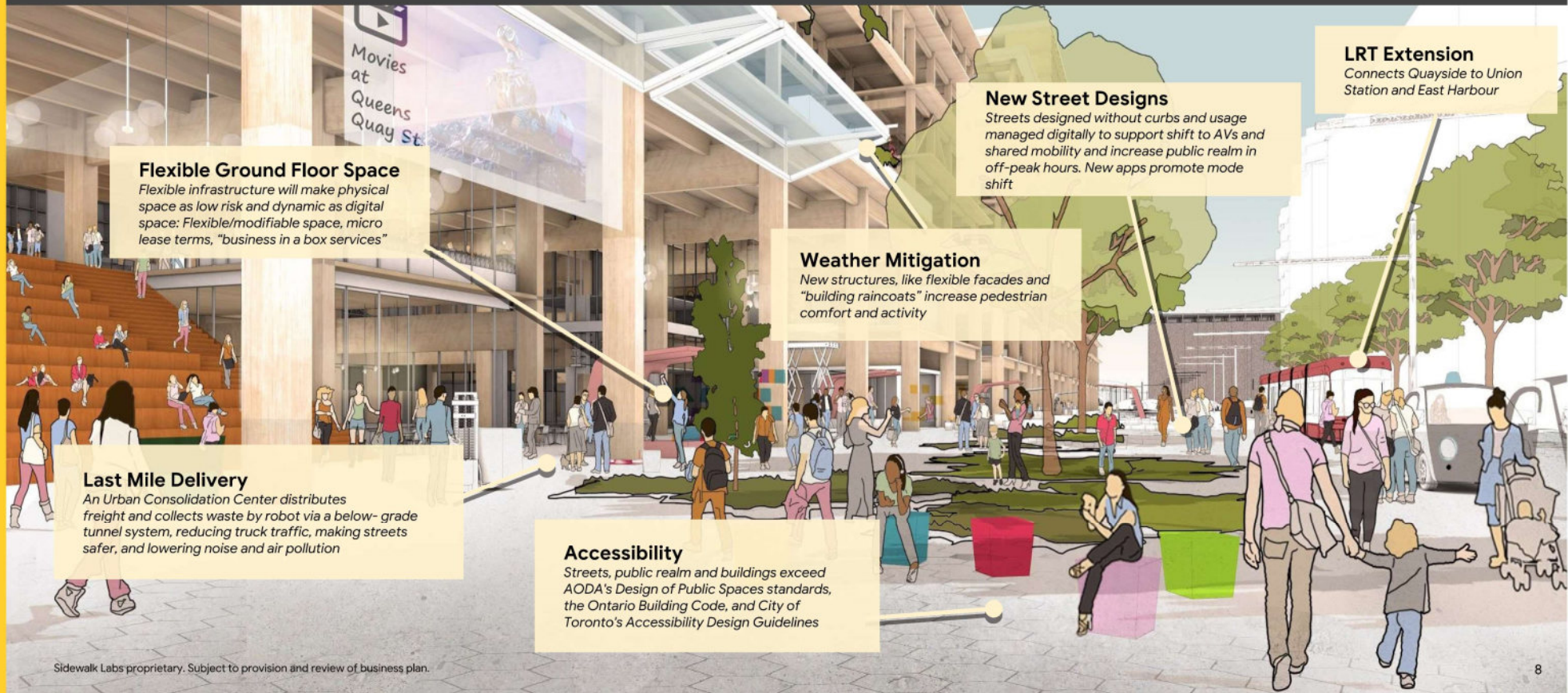
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Testing New Mobility & Enhanced Public Space

Innovations in mobility management and building systems, combined with great urban design will create porous ground floor space that breaks down barriers between different uses and prioritizes the pedestrian experience.



A New Economic Engine for Toronto

We believe the project can make Toronto the global hub in the field of urban innovation, catalyzing thousands of new jobs and generating billions in investment.

Economic growth within the project geography, and Toronto more broadly, would be driven by a series of key components:

- **Significant increase in Google jobs over 10 years in the Eastern Waterfront as an initial catalyst**
- **An Urban Innovation Institute**, leveraging the unique physical and digital infrastructure in Sidewalk Toronto to do cutting edge research, incubate new startups, and cultivate the next generation of urban innovators, would be a second catalyst. Sidewalk is prepared to make an initial seed investment to create the Institute.
- Together these two catalysts will spark a **cluster in urban innovation**, drawing entrepreneurs and companies from around the world to the laboratory on Toronto's Eastern Waterfront
 - **EXAMPLE: Sidewalk's commitment to Mass Timber** would accelerate step-change growth in the forestry, design and timber manufacturing industries
 - **EXAMPLE: Sidewalk's unique approach to ground floor space**, a flexible building system we call "Stoa", would enable a unique range of ground floor uses that encourage small business and entrepreneurship growth within mixed-use neighbourhoods
- Sidewalk has commissioned an independent third party, UrbanMetrics, to complete an **Economic Impact Report on the Sidewalk Toronto Project**, which will include estimates for job creation, both construction and ongoing investment, GDP growth, and incremental city revenues. We look forward to sharing that report upon its completion.

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Google Canadian HQ

An new economic cluster on the Eastern Waterfront would be anchored by a significant commitment of Google jobs located at a campus on Villiers Island.

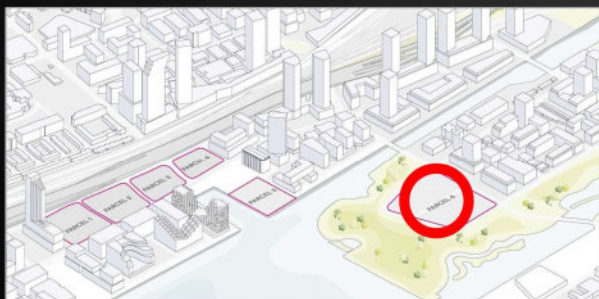
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We have explored a series of design options for a Google Campus, including an approximately 1.5M–2M SF location on the western side of Villiers Island, located on a planned LRT stop.

This campus would have seats for a significant increase of Google jobs.

Within a brand new campus we imagine including a 600K–1M SF headquarters, integrated with a mix of other uses and amenities (commercial partners, retail, education, non-profit).



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A New Standard for Affordable Housing

Our targets for affordable housing on Quayside and Villiers West would increase the provision of affordable housing by almost 4x compared to usual waterfront development in Toronto, and serve a much broader portion of the population.

More Affordable

40% Below Market Housing

**20%
affordable**

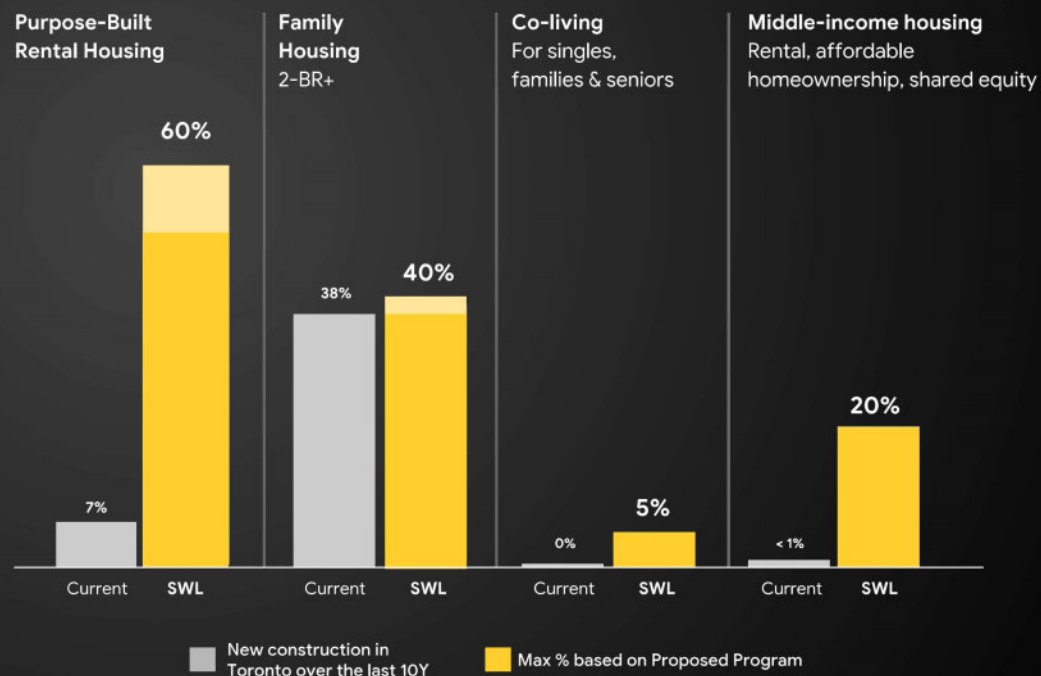
Including 5% deep affordability

COMPARE TO
8% of total Toronto
housing stock as affordable
and social housing

**Up to
20%
middle income**
Including up to 15%
affordable rental and
5% shared equity

COMPARE TO
<1% of total Toronto
housing stock as affordable
homeownership today

More Options



A New Standard for Data and Privacy

Data can play a role in improving the day-to-day operation of the neighbourhood, leading to a more sustainable, accessible and responsible place to live. Sidewalk Labs will receive no special treatment and will not sell personal information or use it for advertising purposes.

Civic Data Trust

An independent entity to control, manage, and make publicly accessible all data that could reasonably be considered a public asset, and a set of rules that would apply to all entities operating in Quayside, including Sidewalk Labs.

RDUA

Responsible Data Use Assessment

Publicly auditable assessment for all public and private digital services required before data is collected and used.

A New Global Standard for the Use of Urban Data

Sidewalk's proposed approach to digital governance in Quayside will demonstrate to Toronto, Canada, and the rest of the world that cities do not need to sacrifice their values of inclusion and privacy for opportunity in the digital age.

Open Standards

Sidewalk will base its technology on open standards, making it easy for others to build and connect new services, offer competitive alternatives, and drive innovation.

RDU Guidelines

Responsible Data Use Guidelines

Application of the guidelines to all parties in Quayside, not just Sidewalk Labs, to put personal privacy and the public good first, while fostering innovation.

Quayside in Context






The economic and conceptual viability of many elements of the Quayside site plan may only be possible at a larger scale.

Thinking at Scale

- From the RFP through the PDA, Waterfront Toronto has always sought solutions to address how we can maximize the impact of the shared objectives of the City, Province, Waterfront Toronto, and Sidewalk Labs, and we have responded as such.
- We believe that while Quayside will be an impactful starting point, scale actually plays a significant role because:
 - The impact of each individual innovation increases (for example, additional affordable housing, greater synergies in cutting carbon emissions, greater ability to reduce car trips, greater catalyzation of the tall timber industry)
 - Greater scale than 12 acres is likely needed given the initial investment in prototypes at Quayside
 - Holistic thinking is what can accelerate the provision of infrastructure on the Eastern Waterfront, and more quickly unlock the value of the Port Lands envisioned in the Port Lands Planning Framework
- Scale means different things for different outcomes and investments.

Impacts that Can Only Be Achieved with Scale

The impact of Individual systems increases exponentially as the scale of the project increases.

Buildings	Mobility	Active Ground Floor	Sustainability	Freight
				
Meaningful reductions in costs (critical to achieving aggressive housing affordability savings) using factory-built timber buildings only works at scale.	AVs only work at scale, enabling the achievement of mobility-as-a-service and lower family transportation costs	Retail model enabling a much more dynamic retail environment and opportunity for small business built on Stoa and new building typologies only works at scale.	Achieving climate positive and building savings in energy costs with the thermal grid only are achieved at scale.	Business model for an Urban Consolidation Center and freight tunnels works at scale

Transaction Principles

In designing a conceptual framework for an overarching transaction, Sidewalk Labs has followed a set of principles designed to meet all parties' objectives.

Transaction Principles

- Design a “win-win” structure in which the economic incentives for government and Sidewalk are aligned and transparent
- Ensure that experimentation and prototyping remain core to the project, while protecting government and the public from unreasonable downside risk
- Limit Sidewalk's role to the minimum amount necessary needed for the project to achieve its objectives to the fullest, and ensure third-party participation— particularly in real estate development
- Create a structure that enables Sidewalk to shoulder the burden of upfront risk, and be compensated in later stages
- Whenever possible, create discrete deal components in order to simplify and de-risk the transaction
- Whenever possible, utilize financing and implementation mechanisms based on precedents that have been validated previously, particularly in Toronto
- Incorporate stage gates and specific metrics for accountability

An IDEA District on the Eastern Waterfront

The City of Toronto would create an “Innovative Development and Economic Activation District” —an IDEA District— corresponding to the project geography, to create the governance necessary to implement the Project. Waterfront Toronto would be the administrator of this district.

The IDEA District would leverage the combination of three elements to deliver on the project’s public policy objectives:

1. A newly empowered Waterfront Toronto in an oversight and administrative role
 - Defined mission to promote innovation and development within the geography, and the mandate to oversee and steer key real estate, infrastructure, and technology decisions.
 - To be effective, this administrator must be accountable to the public; receive well-defined powers over development activity and the deployment of infrastructure within the jurisdiction; and engage seamlessly with other government agencies.
2. A custom set of regulatory, and policy tools—“An Innovation Framework”
 - A set of regulatory and policy tools (across categories like mobility, sustainability, housing, buildings) designed to foster the necessary conditions for delivering on the promise of the MIDP and using its success as a catalyst for spurring economic growth throughout the waterfront
 - 3 categories of reforms: (1) targeted relief from requirements (e.g., reduce parking requirements); (2) enhanced requirements for new developments (e.g., on-going performance targets related to carbon emissions); (3) legal authorization for management entities (e.g., a non-profit public realm management entity)
3. A special set of financing tools that enable the project to leverage its own value for implementation.
 - Financing tools could address project value created through development charges, incremental property tax, and increased land value

All three levels of government would determine the contours of the IDEA District in the course of its establishment.

As Innovation and Funding Partner to Waterfront Toronto, Sidewalk Labs would assist in achieving ambitious policy goals and accelerate development throughout the IDEA District.

Transactional Framework: Sidewalk Labs as Innovation and Funding Partner (Summary)

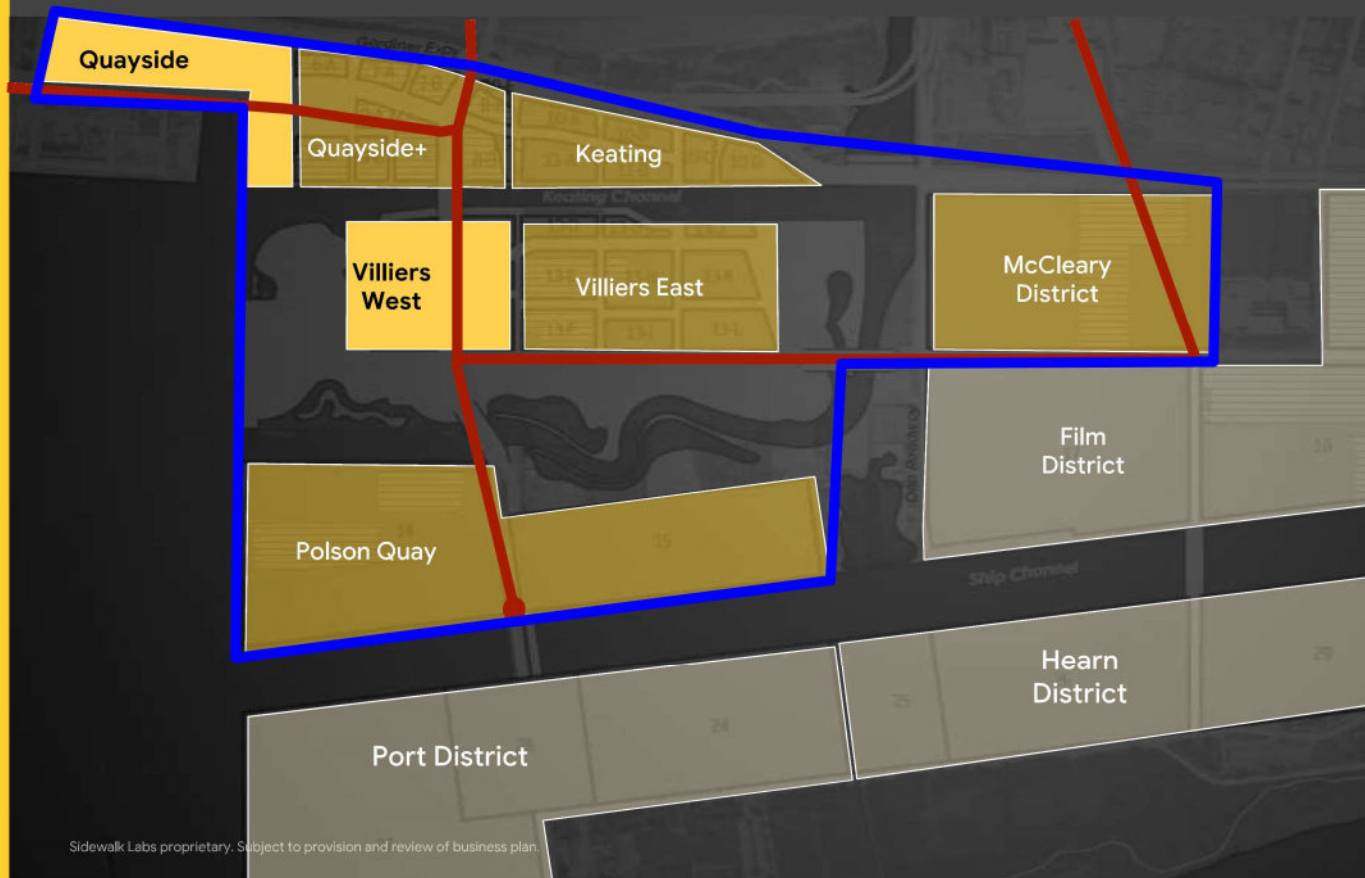
As Innovation and Funding Partner, Sidewalk Labs' role—and corresponding business models—is best summarized in discrete components:

1. Planning Partner
2. Real Estate Research and Development
3. Real Estate Economic Development Catalyst
4. Infrastructure Financing
5. Horizontal Development Partner
6. Advanced Infrastructure Facilitator
7. Technology Deployment
8. Investments in Economic Development
9. Value Sharing

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Project Concept







PROJECT SCOPE

Phase 1 (Quayside)

- 12 acres
- 3M SF
- ~5,000 residents (3,000 units of housing)
- ~3,900 jobs "on site"

Phase 1+2 (Complete Project)

- 190 acres
- 35M SF
- ~50,000 residents (33,000 units of housing)
- ~45,000 jobs "on-site"

-  IDEA District
-  SWL executes horizontal and real estate development
-  SWL facilitates horizontal infrastructure only
-  SWL facilitates the Phase 1 LRT extension

Note: In total, Sidewalk Labs proposed to complete ~5M SF of real estate development, only ~15% of the total project

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Transactional Framework: Sidewalk Labs as Innovation and Funding Partner (1 of 4)

Role		Description	Business Model
1	Planning Partner	<p>In this role, Sidewalk Labs would support Waterfront Toronto in its role as IDEA District Administrator during the planning phases for each neighbourhood. This would include collaboration on:</p> <ul style="list-style-type: none"> The overarching Innovation Framework and updates, Precinct Plans, Master Infrastructure Plans, guidelines for individual parcels and development agreements with third-party real estate developers 	<ul style="list-style-type: none"> Contractual relationship with Waterfront Toronto Sidewalk Labs to receive payment for its advisory role
2	Real Estate Research and Development	<p>In this role, Sidewalk Labs would develop, in partnership with local development entities, approximately 3.0M SF at Quayside.</p> <p>The explicit mission of this development would be to prototype innovations or programmatic decisions that would achieve WT's objectives, but, because they go against market pressures, would likely lead to a below market return.</p> <p>The current development plan includes approximately 3,000 units of housing (40% below market), room for 3,900 jobs, buildings entirely of tall timber, an expanded park network including the proposed Silo Park, a renovated Parliament Slip, and next generation infrastructure systems including: digital electricity, a thermal grid, and consolidated waste removal.</p>	<ul style="list-style-type: none"> Traditional real estate development economics Land price to be negotiated with Waterfront Toronto Profit-sharing with Waterfront Toronto if returns exceed certain threshold
3	Real Estate Economic Development Catalyst	<p>In this role, Sidewalk Labs would develop, in partnership with local development entities, approximately 2.7M SF at Villiers West, relocating Google's Canadian HQ to the site.</p> <p>The explicit mission of this development would be to create outsized economic growth through the relocation of the Google HQ into a mixed-use, open campus with multiple corporate tenants.</p>	<ul style="list-style-type: none"> Traditional real estate development economics Land price to be negotiated with WT / City Profit-sharing with WT / City if returns exceed certain threshold

Transactional Framework: Sidewalk Labs as Innovation and Funding Partner (2 of 4)

Role	Description	Business Model
4 Infrastructure Financing	<p>In this role, Sidewalk Labs would fill a critical financing gap needed to deliver the full suite of infrastructure systems necessary to develop Quayside and the Eastern Waterfront on an accelerated schedule and achieve Waterfront Toronto's sustainability objectives.</p> <p>Even beyond the in-progress \$1.2B Don Mouth Naturalization Project flood protection, billions of additional investment in enabling infrastructure—LRT, plus systems like electricity, heating, water and sewage, road networks, and fiber, new parks and public space, and extensive environmental remediation—would be necessary for complete communities to grow on the waterfront.</p> <p>Were the status quo to proceed, this infrastructure would likely be implemented piecemeal and incrementally, as funding became available through either government allocations or as City Development Charges were realized in initial phases of Eastern Waterfront development.</p> <p>Sidewalk estimates that if Toronto were to create a “value-capture zone” in which Development Charges and incremental property taxes were reserved for this specific geography, it could generate ~\$6B in value from the Project to pay for necessary infrastructure over the next ~30 years.</p> <p>However, these traditional sources will not be available at the time needed to construct this infrastructure at the pace and scale required to deliver the outcomes WT desires, nor to achieve some of the more ambitious policy objectives.</p> <p>As such, Sidewalk Labs will bridge this gap in two ways:</p> <ol style="list-style-type: none"> 1) Providing financing in advance of public funds being available for infrastructure projects like the LRT, parks, and utility systems. 2) Providing OPTIONAL “stapled financing” for Advanced Infrastructure systems that require innovative funding and operational models to achieve policy objectives 	<p>1) Sidewalk would be paid back on all equity commitments used to bridge the gap between the time funds were needed to begin construction and funds were available from the project</p> <p>A financing fee would be applied to these funds</p> <p>The funds used to pay back Sidewalk in this capacity would be either the Development Charges or Incremental Property Taxes allocated to fund the associated infrastructure project</p> <p>2) Advanced Infrastructure Systems would be operated through third-party entities, often in partnership with current operators (like Toronto Hydro).</p> <p>Third-parties operators would be chosen by an open RFP process, and all respondents would have the OPTION of choosing to use Sidewalk Labs-provided funding as part of their approach.</p> <p>Sidewalk would receive contractual-based market economics if respondents elected to use this “stapled financing.”</p>

Transactional Framework: Sidewalk Labs as Innovation and Funding Partner (3 of 4)

Role		Description	Business Model
5	Horizontal Development Partner	<p>In this role, Sidewalk Labs would support Waterfront Toronto in its role as IDEA District Administrator during the infrastructure implementation phases for each neighbourhood. This would include collaboration on:</p> <ul style="list-style-type: none"> • Delivery of systems such as parks, utility systems, site preparation work <p>Division of responsibilities between the two organizations generally fall to each organization's strengths. Waterfront Toronto would provide operational excellence in line with what it delivered in past projects—flood mitigation, West Don Lands, Bayside. Sidewalk Labs would provide design support, as well as manage the coordination of funding, and innovative project elements.</p> <p>Note: This role can be shaped to meet the needs of all parties. From Sidewalk's perspective, a critical issue is the ability to have influence over the timing and management of the delivery of projects for which Sidewalk Labs' "bridge" financing is directly funding</p>	<ul style="list-style-type: none"> • Waterfront Toronto and Sidewalk Labs would split a traditional "Developer Fee" applied to the total infrastructure cost, split in proportion to the allocation of responsibilities and associated resource requirements
6	Advanced Infrastructure Facilitator	<p>In this role, Sidewalk Labs would conduct initial design work, craft the RFP process, and coordinate the implementation among each Advanced Infrastructure system to ensure adherence to the project's innovation objectives.</p>	<ul style="list-style-type: none"> • Sidewalk Labs to be reimbursed for costs related to initial design work and managing the RFP process. • These costs will be allocated on a system by system basis and reimbursed by the operators selected for each system

Transactional Framework: Sidewalk Labs as Innovation and Funding Partner (4 of 4)

Role	Description	Business Model
7 Technology Deployment	In order to deliver on the project objectives, Sidewalk Labs would deploy a limited set of critical technologies. These technologies would be categorized as Purposeful Solutions, for which Sidewalk Labs and Waterfront Toronto would enter into agreements under predetermined and unique procurement and contractual rights.	<ul style="list-style-type: none"> • Rights to prototype, test, and deploy negotiated on an individual basis with WT or relevant agency • Value from IP created in "testbed" conditions shared with public entities
8 Investments in Economic Development	<p>In order to capitalize on, and catalyze, the enormous economic potential inherent in the vision of the Project, Sidewalk Labs will invest in a series of economic development initiatives that will benefit both the project area and Toronto writ-large.</p> <p><u>Category 1 Investments:</u> Google HQ; Urban Innovation Institute; Workforce Development Initiatives</p> <p><u>Category 2 Investments:</u> Tall Timber Factory, Toronto-based Venture Fund</p>	<p><u>Category 1</u> <i>No specific, direct return to Sidewalk Labs</i></p> <p><u>Category 2</u> <i>These investments have their own economics.</i></p>
9 Value Sharing	<p>Because of the holistic value Sidewalk Labs is bringing to the project across the first 7 buckets on this chart, Sidewalk Labs would share in the incremental value created within the overall project geography through the disposition of publicly-held lands to third parties in the project geography.</p> <p>In particular, buckets 1,2,4,6, 7, and 8 reflect economic constructs for which Sidewalk Labs is deploying capital / resources at below market rates of return, and deferring any possible return on investment to the potential long-term value created through its partnership with WT.</p>	When public land within the IDEA District is sold to third-party developers through a WT-managed public RFP process, the incremental value would be split in a TBD negotiated proportion between Government parties and Sidewalk Labs

Project Concept



Potential Phase 3 Expansion (Dual Option)

In a potential Phase 3, the IDEA District would extend to south of the Ship Channel and there would be a mutual option for Toronto and Sidewalk Labs to deliver additional enabling infrastructure, including an extended LRT. The East Port and Film District have been excluded to protect existing uses.



Ensuring Accountability: Milestones & Phasing

As the project proceeds, we believe permission for the the IDEA District to expand should be rooted in the ability of the initial neighbourhoods to achieve stated objectives.

A potential construct to expand the zone for which the innovation guidelines apply within Phases 1+2 would be based on specific targets:

- Stage gates, included as part of an initial set of agreements, would set the parameters that would need to be achieved in order to expand the project geography. These could potentially include:
 - Number of units of below market housing
 - Delivery of key infrastructure components by a given date

